



Daily Report

East Asia

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Japan

More Reports on Alleged U.S. Car Talks Spying

Clarification of Issue Urged

OW1810012695 Tokyo MAINICHI SHIMBUN
in Japanese 17 Oct 95 Morning Edition p 5

[Editorial: "Clarify Whether Wiretapping Allegation Is True"]

[FBIS Translated Text] There are two U.S. Government bodies that come under heavy fire at the U.S. Congress budget session every year — the Pentagon and the Central Intelligence Agency [CIA].

In the case of the CIA, in particular, the significance of its existence is called into question, in addition to the need for cuts in its budget.

With the collapse of the former Soviet Union, which previously confronted the United States, there are no enemies for the CIA to target. For that reason, there is within Congress a deep-rooted voice calling for the reorganization of the CIA.

At a public hearing of Congress held immediately after the inauguration of the Clinton administration, some said it was necessary to consolidate the CIA with other groups engaged in information gathering. At the public hearing, (then) CIA Director Woolsey said: "The threat of war has been drastically reduced." He promised to make efforts to cut spending and added that the agency would engage in economic and technological information gathering, including information on acts of industrial espionage by foreign firms on U.S. firms.

It is, of course, only to be expected that if such industrial espionage activities are revealed it will cause diplomatic problems with the target nation. Industrial spying in France by CIA officials, which came to light in February, developed into a serious diplomatic incident between the United States and France.

The NEW YORK TIMES reported 15 October that wiretapping was carried out by the CIA to check the moves of the Ministry of International Trade and Industry. The report says the information gathered by the CIA was used in the auto sector trade negotiations with Japan.

The paper does not mention what sort of "wiretapping" was carried out in Tokyo, and fails to describe any details of the spying action. It says only that "eavesdropping" was made using electronic equipment. Moreover, the report does not mention whether such "eavesdropping" was illegal or not.

So far, therefore, it is not clear how the CIA conducted its "wiretapping" in Japan. But if "eavesdropping" using electronic equipment should come to be recognized as illegal, it has to be called into question. It has been reported that not only newly-appointed CIA Director Deutch but also high-ranking Clinton administration officials have set a high value on what the CIA has contributed to Washington's economic negotiations.

It is clear, though, when you take into consideration remarks by high-ranking White House officials that the Clinton administration cannot rule out the possibility that some kind of "wiretapping" was carried out. Judging from the fact the Clinton administration has, since its inauguration, attached importance to economic diplomacy in promoting overall diplomatic strategy, it is not wrong to conclude that information gathering has been actively carried out.

If a nation misuses economic diplomacy and its information-gathering action, it could be regarded as an interference in domestic affairs and an infringement of the sovereignty of its economic partner. In this sense, the alleged wiretapping may prove a factor in stimulating the Japanese people's national sentiments and unnecessarily worsening Japanese-U.S. relations. We urge the United States to act carefully in dealing with the issue and to clarify what happened. We want the United States to provide the Japanese people with a sincere explanation.

Every nation is involved in gathering information for the purposes of diplomatic negotiation. This, however, is not valid if it involves illegal action between allied nations. Legal information gathering, though, is necessary to prevent the development of diplomatic problems.

According to a high-ranking Japanese Government official, U.S. delegates misread how Japan would move during recent auto trade sector negotiations. Even if the CIA had carried out wiretapping round-the-clock it is still questionable whether it could have obtained valuable information.

Legal and moderate information gathering is needed so that diplomatic relations do not worsen.

It is bear for us to think about the possibility that Japan-U.S. relations may be being exploited as part of the CIA's plan to justify its budget and survive in the U.S. Government.

Embassy Asks U.S. To Investigate

OW1710235595 Tokyo KYODO in English
2307 GMT 17 Oct 95

[FBIS Transcribed Text] Washington, Oct. 17 KYODO
— The Japanese Embassy here said Tuesday [18

October) that it has filed an official inquiry with the U.S. State Department over reported spying by U.S. intelligence agents during negotiations on auto and auto parts trade.

Ichiro Fujisaki, political minister at the embassy, said that he asked Deputy Assistant Secretary of State Thomas Hubbard on Monday to look into the alleged eavesdropping and other spying activities.

Fujisaki said that he also expressed the Japanese Government's concern that if the report is true, it "could hurt the U.S.-Japanese friendship and mutual trust."

Hubbard said that the U.S. Government does not comment on intelligence matters but noted that he will shortly offer a response after consultations within the administration, Fujisaki said.

A State Department spokesman confirmed the official Japanese request and the U.S. promise of a quick response.

THE NEW YORK TIMES reported Sunday that U.S. Trade Representative Mickey Kantor and his negotiators on auto trade with Japan were provided with information gathered by the Central Intelligence Agency's Tokyo station and electronic-eavesdropping equipment of the National Security Agency.

The information included conversations between Japanese bureaucrats and executives of Toyota Motor Corp. and Nissan Motor Co., the newspaper said.

Negotiations 'Not Affected'

OW1810133495 Tokyo YOMIURI SHIMBUN
in Japanese 18 Oct 95 Morning Edition p 3

[Editorial: "Suspected Eavesdropping Could Damage Mutual Trust Between Japan and the United States"]

[FBIS Translated Text] A report by a U.S. newspaper that the Central Intelligence Agency (CIA) eavesdropped on Japanese officials in the course of bilateral automobile talks is causing new ripples to spread in Japanese-U.S. relations.

While hastily consulting with the U.S. Government to confirm facts, the Japanese Government stressed that even if eavesdropping operations were actually conducted, negotiations were not affected in any way to make the results disadvantageous to Japan.

Regarding recent relations between Japan and the United States, anti-American feelings have been mounting in Japan as a result of an incident in which U.S. servicemen stationed in Okinawa raped a young Okinawan schoolgirl; meanwhile, the United States has shown outright displeasure over the Japanese Finance

Ministry's delay in notifying U.S. authorities about the Daiwa Bank situation, in which heavy financial losses were incurred through illegal dealings in the United States.

The issue of the CIA's suspected eavesdropping operations has surfaced amid this backdrop. The current situation is such that it warrants serious consideration because both Japan and the United States could lose faith in each other.

Japan and the United States must clear up the matter and take appropriate steps so that the suspected eavesdropping incident will not cause mutual distrust to spread among the governments and the peoples of the two countries. At the same time, they must try to promptly rebuild mutual confidence based on a long-term perspective.

Ever since its inauguration in January 1993, the administration of U.S. President Bill Clinton has pursued an economics-oriented diplomatic approach and has urged the CIA to "drastically improve" its intelligence operations with respect to economic and industrial information.

As a result, the CIA, in addition to pouring more efforts into gathering economic information from U.S. trading partners as well as its allies, started to clamp down on espionage activities against U.S. companies by foreign economic agencies. It may be said that the CIA, which came under review regarding its reorganization, changed its tactics so it could continue to exist in a post-Cold War era.

Last February, it was revealed that the French Government expelled five U.S. officials—including CIA personnel—on suspicion of their conducting "intelligence operations" in the country. Even if only temporarily, this incident caused a deterioration in U.S.-French relations.

The CIA's suspected eavesdropping operations during the Japanese-U.S. automobile talks shows that even allied countries are engaged in furious economic intelligence battles.

The United States and Japan are economic superpowers, ranking first and second, respectively, in world GDP rankings. Each is to the other an important partner as regards political and security affairs. If loss in mutual confidence between Japan and the United States should damage cooperative ties between the two countries, that would have a negative impact on the world's stability and development.

Looking back at the outcome of the Japanese-U.S. automobile talks, which became the target of the CIA's

suspected eavesdropping operations, Japan was able to continue rejecting numerical targets which would lead to managed trade and reach final agreement, despite the tough negotiating attitude of U.S. officials who were armed with threats to apply punitive measures against Japan. Consequently, it is said that even if the eavesdropping operations were actually conducted, the United States did not gain anything by doing so.

In some quarters within the U.S. Government, voices have been raised suggesting that the economic intelligence gathered by the CIA is not of very high quality. It is desired that the CIA discontinue activities that damage mutual feelings of trust between Japan and the United States and agitate public sentiments in the two countries in an adverse manner.

A summit meeting between the leaders of Japan and the United States has been scheduled during November's meeting of Asia-Pacific Economic Cooperation (APEC) forum member countries in Osaka. It is expected that Ryutaro Hashimoto, international trade and industry minister, and U.S. Trade Representative Mickey Kantor will also hold a meeting at the quadrilateral trade talks to be held this weekend [in Yorkshire, UK].

The Japanese and U.S. Governments must make use of such opportunities to promptly build a new framework for promoting mutual understanding to wipe out mutual distrust and encourage development of healthy bilateral ties.

LDP's Kato Urges Sharing Burden of U.S. Bases

*OW1410053795 Naha OKINAWA TIMES in Japanese
14 Oct 95 Morning Edition p 1*

[FBIS Translated Text] Tokyo — Secretary General Koichi Kato of the Liberal Democratic Party [LDP] granted an interview to THE OKINAWA TIMES on 13 October. He stated: "If the Japan-U.S. security pact is indispensable, the costs and sacrifices related to the pact should be shared by the people as a whole." Thus, he indicated his view that the burden of Okinawa Prefecture should be reduced by relocating U.S. military bases to various places. Concerning this plan, various local governments on mainland Japan where military bases are located have launched a campaign to oppose the transfers. However, Kato says the LDP plans to seek the understanding of residents in these localities.

Concerning Okinawa Governor Masahide Ota's refusal to sign documents on extending the forced leasing of privately owned land for U.S. Military use, Kato emphasized that the issue should be settled through discussion, not through confrontation. He also indicated that the current coalition government will not take

such forceful measures as issuing recommendations or directions to the governor or filing a court case.

Touching on Ota's reaction, he indicated his understanding that "on behalf of Okinawan residents, [the governor] has indicated their justifiable indignation and feelings."

Kato appealed to the need to keep the Japan-U.S. security treaty. However, regarding the U.S. military bases in Japan, he indicated his view that "as long as there is no obstacle to the implementation of the security pact, Japan and the United States should hold talks on how to consolidate and reduce the number of military bases." As for the Status of Forces Agreement, Kato indicated his view that the implementation [of the agreement] should be improved first, however "if such improvements have no effect, there is no alternative but to proceed with deliberations on reviewing the agreement itself."

Assembly Speakers Submit Protest to Naha DFAB

*OW1510111795 Naha OKINAWA TIMES in Japanese
14 Oct 95 Morning Edition p 30*

[FBIS Translated Text] Representatives from the Okinawa Prefectural Association of Chairmen of City Assemblies (with Yasuaki Asato, Naha City Assembly chairman, as president) visited the Naha Defense Facilities Administration Bureau [DFAB] on 13 October. They submitted to the DFAB a request that a protest should be lodged against the rape of a schoolgirl by U.S. servicemen; apologies and comprehensive compensations be made to the victim; the Status of Forces Agreement should be revised; and the U.S. military bases should be reduced and realigned.

This request was made on the basis of a resolution adopted at the rally of city assemblymen in Ishikawa city on 5 October. Those who accompanied President Asato on 13 October are: Hirara city Assembly Chairman Yonezo Higa, Ishigaki city Assembly Chairman Sosei Ishigaki, Ishikawa city Assembly Chairman Keisho Tomoyose, Ginowan city Assembly Chairman Masahito Isa, Gushikawa city Assembly Chairman Kenji Kaneshiro, and Urasoe city Assembly Vice Chairman Zenko Toyama.

In criticizing the Japanese and U.S. Governments for their handling of the recent rape case, Asato and other representatives stated: "It is a matter of regret that the governments have taken such an approach." They also called on the U.S. consul general to make the same request.

Nagasaki Prefecture Women Adopt Resolution

*OW1410053895 Tokyo KYODO in English
0457 GMT 14 Oct 95*

[FBIS Transcribed Text] Nagasaki, Oct. 14 KYODO — Mothers in Nagasaki Prefecture rallying to protest the rape of an Okinawan schoolgirl, allegedly by three U.S. servicemen, agreed Saturday [14 October] to address their criticism of American forces' behavior to U.S. Ambassador to Japan Walter Mondale.

A resolution adopted by the women said the rape was an inexcusable and inhuman crime, and Japan was not an occupied country, organizers said.

The resolution also criticized the Sept. Nagasaki port visit by the Blue Ridge, the command ship of the U.S. 7th Fleet, and an indecent act by one of its crew.

The resolution called for an early review of the Status of Forces Agreement and strongly protested crimes and violent acts by U.S. service personnel.

Four women's organizations in the prefecture took part in the rally.

Editorial Urges Package of U.S. Bases Measures

*OW1410020095 Tokyo MAINICHI SHIMBUN
in Japanese 13 Oct 95 Morning Edition p 5*

[Editorial: "Japanese-U.S. Security Alliance: Understand Okinawa's Anguish; Retrench the Bases"]

[FBIS Translated Text] When U.S. President Bill Clinton visits Japan in mid-November, Japan and the United States will reaffirm the significance of continuing the bilateral security treaty even after the end of the Cold War.

However, the rape of a schoolgirl by U.S. soldiers in Okinawa unexpectedly brought forth issues that may shake the very foundation of the Japan-U.S. security arrangement, apart from the question of revising the Japan-U.S. Status of Forces Agreement [SOFA].

Because the Japanese government failed to take timely measures after the incident occurred, it now is at a loss to find an effective way to solve the problem.

At first, the government fumbled on the issue of revising SOFA, which stipulates that U.S. military suspects cannot be handed over to the Japanese authorities before being formally indicted.

Initially, the government took the position that it had no intention of revising SOFA, including the provision on turning over suspects. It seemed to have been concerned that this issue might develop in a way that would weaken the foundation of the security treaty.

This generated strong resentment among the Okinawan people.

It needs to be noted that SOFA is just one of the causes of the Okinawan people's indignation. This has been faithfully reflected in Governor Masahide Ota's refusal to undertake proxy signing procedures [for U.S. military land].

The proxy signing of land documents refers to the administrative procedure by which the governor signs the land registers on behalf of the national government for land that the Japanese Government will forcibly use for U.S. military facilities. However Governor Ota refused to sign the documents in the belief that if the security pact is reaffirmed, not only will the bases on Okinawa be fortified, they will stay there until the 21st century. In Okinawa, some people describe the governor's refusal as Okinawa's maximum expression of its anger with politicians on the Japanese mainland who treat the rape incident indifferently.

On 21 October, a massive protest meeting will be held in Okinawa, with a crowd of 50,000 expected. Behind the support given by the majority of the Okinawans to the governor's refusal to sign land documents is their indignation and anguish against the U.S. bases, which are the source of the rape incident.

The government, now panicky, has decided to dispatch Seishiro Eto, director general of the Defense Agency, to Okinawa in late October to deliver a personal letter from Prime Minister Tomiichi Murayama, and to include a commitment to reorganize and consolidate U.S. military bases in the joint statement to be issued after the Japan-U.S. summit talks.

Within the government, plans to formulate a comprehensive economic development program to revive the Okinawan economy, which suffers a 5.6-percent unemployment rate, nearly double the national average, are also being considered.

However, when it comes to the crucial issue of the reorganization and consolidation of bases, not only the 10 items agreed upon by Japan and the United States in 1990, but also the three issues agreed upon last May — including [the return of] the Naha Military Port and the relocation of live-firing exercises across Prefectural Highway 104 — remain unresolved.

Under such circumstances, will the Okinawans be satisfied with merely including the reorganization and consolidation of bases in the joint statement as a goal to work for; with a personal letter from the prime minister; and with the formulation of economic measures? The Okinawan government has already protested that this is not simply a struggle to win better terms for Okinawa.

Probably, what the governments of Japan and the United States need to do now is to present to the Okinawans a package of short- and mid-term proposals to solve base-related issues after listening carefully to the Okinawan people's views.

In such a case, tangible plans to resolve the 13 issues already agreed upon should first be presented as short-term measures. The improvement of SOFA enforcement should also be part of this.

In the mid- and long-term, both the overall framework of SOFA and a review of the deployment and formation of the 45,000 U.S. troops in Okinawa should also be examined.

U.S. Informed of Plan To Refuse Proxy Signing

*OW1810002995 Tokyo MAINICHI SHIMBUN
in Japanese 16 Oct 95 Morning Edition p 3*

[FBIS Translated Text] The central government and the Okinawa prefectural government remain at odds over Governor Masahide Ota's rejection of proxy signing of lease contracts on the compulsory use of land for U.S. military bases on Okinawa. It has been decided that Defense Agency [DA] Director General Seishiro Eto would visit Okinawa from 23 to 25 October and meet Ota, and it appears on the surface that a step forward has been taken in efforts to resolve the issue. However, among other facts, it has been revealed by officials concerned that immediately after Ota agreed to proxy signing in May 1991, he told U.S. officials that "five years from now, I will make a very important decision." He thus hinted at the time the scenario of the current situation. It has now become more clear that Ota, who stresses that "this is not a battle for concessions," intends to stick to his tough stance. The gap in understanding between Ota and the central government, which hopes to arrive at a compromise by flashing new development plans and other measures, is further widening.

Ota has said that one of the reasons for his refusal to cooperate with the central government is that Okinawa "is concerned over U.S. military bases on Okinawa being strengthened and permanently fixed."

Kantoku Teruya (a member of the Goken Minshu Rengo [Democratic League for the Protection of the Constitution]) under the Social Democratic Party of Japan, who served as the executive director of Ota's support organization for five years and was elected to the upper house last July, said: "When the governor visited the United States for the first time (in July 1991) since his inauguration, he told U.S. Government authorities: 'When I am asked to agree to proxy signing again in five years from now, I will make a very

important decision from the standpoint of reviewing the security arrangement.'"

Regarding the fact that the rape of a young Okinawan schoolgirl by U.S. servicemen on 4 September is considered one of the factors responsible for the governor's action, Teruya has said: "The governor had already made a decision immediately after the Naha Defense Facilities Administration Bureau requested proxy signing late August."

In response, the government can only but try to settle the situation through such means as improved implementation of the Status of Forces Agreement, facilitated return of land used as military bases to rightful landowners, and new measures to improve living conditions of local residents in areas adjacent to military bases.

DA Director General Eto has expressed hope that more projects will be added to the Third Okinawa Development Promotion Plan (compiled in 1992), saying: "I wish that the Okinawa Development Agency will help put together all the plans the entire government is working on before I visit Okinawa." However, Okinawa Development Agency Director General Masaaki Takagi has said: "The real problem is the scaling down of military bases. Unless this is settled, it (the Okinawan people's anger) will not calm down." Thus, there seems noticeable inconsistency in the way government officials are trying to deal with the situation.

'Full Text' of Hawaii Governor's Letter Reported

*OW1610063295 Tokyo KYODO in English
0549 GMT 16 Oct 95*

[FBIS Transcribed Text] Naha, Japan, Oct. 16 KYODO — The following is the full text of Hawaii Gov. Benjamin Cayetano's open letter dated Oct. 4 to Okinawa Gov. Masahide Ota:

Open Letter to: Governor Masahide Ota and the people of Okinawa

The people of Hawaii join me in expressing sincere sympathy and concern for the victim, her family and all the people of Okinawa who have been outraged by the recent vicious attack there.

Okinawa and Hawaii are sister states with a long history of close ties. Many of Hawaii's finest citizens trace their ancestry to Okinawa. Beyond people-to-people ties, our islands share much in common in geography, climate and economy.

Strategic ties between the United States and Japan are important to both nations and the Pacific region. But Okinawa has carried a very large share of the burden, with three-quarters of U.S. bases and nearly two-thirds

of U.S. troops in Japan there, though Okinawa is only one percent of Japan's land area.

Much of the land in Okinawa used for military purposes is near populated areas and important port facilities. This causes hardships and the prefecture's opportunities for economic diversification and growth have been limited.

I believe Japan should consider spreading some of the responsibility for supporting the U.S.-Japan strategic alliance, which does so much to insure Japan's security and prosperity, to other parts of that country.

And, with the end of the Cold War, the American military presence in Okinawa can be reduced. Some units or bases could even be returned to the United States — including Hawaii — where they would be more welcome.

I will be visiting Okinawa in November with members of my administration, some of whom have family ties to Okinawa. I look forward to meeting the Okinawan people and discussing our mutual interests and concerns with you directly.

With warmest personal regards,

Aloha

Benjamin J. Cayetano

Ota on Cooperation From Hawaii on Bases Issue

*OW1810083595 Naha RYUKYU SHIMPO
in Japanese 16 Oct 95 Evening Edition p 1*

[FBIS Translated Text] At a regularly-scheduled meeting with reporters on 16 October, Governor Masahide Ota said he might tie up with the State of Hawaii on the removal and reduction of U.S. military bases on Okinawa. Hawaiian Governor Benjamin Cayetano has announced Hawaii's readiness to accept a part of U.S. forces from Okinawa, in consideration for Okinawan peoples' "anti-military base sentiments" stirred up by the alleged rape of an Okinawan girl by U.S. servicemen. Ota stated: "I would like to meet the Hawaiian governor when he visits Okinawa to attend the Worldwide Conference of Okinawan People scheduled for November, and ask him for cooperation in possible fields." Referring to the immediate goals of rationalization and reduction of U.S. military bases on Okinawa, Ota hinted he is looking at the reduction of facilities with safety problems, such as Marine Corps Air Station [MCAS] Futenma which is located near residential areas and schools, as well as a cutback of Marines who constitute a high-crime group.

At the meeting with reporters, Ota noted his primary concerns include the rationalization of bases and the safety of local residents. He said: "I am worried

about the safety of MCAS Futenma and other military facilities near schools." He then expressed his intention to focus on the reduction of the Marine Corps for the time being, saying: "It is a worrisome situation that combat-ready Marine battalions are stationed in residential areas. Reduction (of marines) is not a new topic."

Although Governor Ota avoided making a clear statement, he showed his interest in Hawaiian Governor Cayetano's written offer of his readiness to accept military bases transferred from Okinawa. Ota said: "In Hawaii, military facilities are located far away from residential areas, and the military detonates unexploded bombs after live-fire exercises in order to not destroy the natural environment."

When an Okinawan delegation led by Ota visited Hawaii in May on the way back from a petition trip to Washington, Cayetano reportedly told the delegation: "I understand the presence of foreign forces is a problem for an independent nation. Hawaii is ready to accept U.S. Forces. (U.S. troops on Okinawa) can be moved to Hawaii since it is a U.S. territory." The Okinawan Government hopes Cayetano's remarks will "have a large impact" to "break the ice of base-related problems on Okinawa."

Editorial on Hawaiian Offer To Take U.S. Bases

*OW1810044895 Naha RYUKYU SHIMPO
in Japanese 16 Oct 95 Morning Edition p 5*

[Editorial: "Great Implications of the Hawaiian Proposal: Extensive Ramifications of U.S. Military Bases Issue"]

[FBIS Translated Text] At a time when there is an upsurge in public opinion for the reorganization and consolidation and the return of U.S. military bases, the State of Hawaii in the United States presented a proposal to Okinawa to "accept U.S. bases." This is a new development in the process of resolving the bases issue. It is expected to have extensive ramifications.

In light of the rape of a schoolgirl by U.S. servicemen, and the governor's refusal to undertake proxy signing of documents for forced use of land for military bases, the problem of U.S. military bases in Okinawa has aroused great concern not only in Japan, but also all over the world. The fact that one of the states in the United States, which is one of the parties in this issue, has proposed to accept the bases, is a notable and unusual event that shows the great impact the problem of bases in Okinawa has on the United States itself.

Governor Benjamin Cayetano of Hawaii wrote in his letter: "In the world scene, the Cold War has ended.

It is an opportune time to reduce the U.S. bases on Okinawa. Some bases on Okinawa can be moved back to the United States, and Hawaii is willing to accept them." He shows an understanding of the situation of the bases in Okinawa, and offers a solution.

The reason for this proposal is his understanding of the position of Okinawa, which is burdened with damages caused by the bases — for instance, the rape incident — and the requirements of the Japan-U.S. security treaty. It is a concrete action, albeit by one local administrative unit, which shows the extent of interest in this issue in the United States. This will have great implications.

Long, Bitter History of U.S. Bases

Moreover, the governor will visit Okinawa next month to talk about the bases with Okinawans. He is taking prompt, concrete action. A member of the House of Representatives elected from Hawaii also criticized the concentration of U.S. military bases on Okinawa. He appealed to President Bill Clinton for equitable distribution of bases in Japan. Another representative pointed out that the bases on Okinawa represent an "unfair and discriminatory policy." This indicates the extent to which this issue is being perceived as a problem in the United States.

The rape in Okinawa of a schoolgirl by U.S. servicemen has been reported in not only the United States but also many other countries like Britain, Russia, and South Korea, because the incident made a big news as an abnormal crime that drew strong public reaction.

We also think the incident made a big news because it has become apparent that the presence of U.S. bases on Okinawa under the Japan-U.S. security pact, various damages resulting from bases, and the burden of military bases historically imposed on Okinawans involve problems that arouse international concern.

Now that the Cold War has ended, the world is striving to establish a new order for peace. This is a historically important time, as it offers a good opportunity to promote disarmament. The United States should welcome the era of disarmament because it can now lighten its burden of military dispositions in the world and instead exert more energy in peaceful projects and industries.

U.S. bases on Okinawa are also the product of the Cold War structure. However, in view of the recent political and military situation and the fact that military threat in the Far East has now been reduced, it is a matter of course to implement the consolidation, reduction, and return of U.S. military bases. Nevertheless, the U.S. Department of Defense has noted in its "Security Strategy for the East Asia-Pacific Region" that the United States will maintain a force structure of approximately 100,000

personnel in the East Asia-Pacific region. As such, disarmament moves have yet to be seen.

Such a U.S. basic policy has reflected in Japan-U.S. security arrangements and has formed a great obstacle to efforts to scale down U.S. military bases on Okinawa. At the Japan-U.S. summit scheduled for November, the two governments are expected to redefine the bilateral security treaty to give it a greater significance, or to reconfirm the importance of U.S. military bases on Okinawa. In other words, we cannot but consider the redefinition to be tantamount to Japan's approval of perpetuating military bases on Okinawa.

Perpetuating U.S. military bases goes against the current of the times. These bases are for the U.S. forces, which defeated the Japanese Army in the Pacific war and occupied this island. U.S. military bases do not reflect the will of Okinawan people. Heavy pressure has continually been imposed on this island all during the prewar and postwar years, only by different entities. This is exactly the cause of Okinawa's and Okinawan residents' anger and dissatisfaction and their distrust in both Japanese and U.S. Governments.

The Government's Weak Stand Toward the United States

Is it really difficult or impossible to free Okinawa from the burden of U.S. military bases, or lighten the burden? U.S. experts have often proposed the reduction and return of military bases. There are also pros and cons about the need of maintaining the U.S. forces in Okinawa and the scale of military bases. In particular, the scale of the U.S. Marine Corps on Okinawa is unrealistic in view of its action readiness in emergency cases. Some experts are said to question the deployment of the force in Okinawa.

The active use of proposals made by experts of various fields and information and moves related to military bases appears to be effective in solving Okinawa's bases issue. An offer from Hawaii to accept some bases on Okinawa is a valuable choice or idea to solve Okinawa's bases issue. It gives one suggestion concerning the transfer of the U.S. Marine Corps to other site.

Fifty years have passed since the end of the war, and Okinawa has now come to a most important turning point in terms of its efforts to solve bases issue and improve living conditions. Reactions in the United States to Okinawa's bases issue have begun to take definite forms. Contrary to this, the Japanese Government's reaction remains abstract and conventional.

The government should not only cling to maintaining security arrangements with the United States, but it should

establish new Japan-U.S. relations to keep pace with the times. We think now is the time for the government to do so. Taking into consideration Americans' quick response and other countries' deep understanding of Okinawa's bases issue, we cannot help thinking that the Japanese Government's weak attitude toward the United States is the main cause of difficulty in solving bases issue.

When Okinawa petitioned for U.S. efforts to solve the bases issue, it was told by the United States that the Japanese Government had never raised this issue in bilateral talks. We hope the government will repeatedly bring this to mind.

Ruling Party Members Join Rally Over Rape Case

*OW1710142195 Tokyo KYODO in English
1347 GMT 17 Oct 95*

[FBIS Transcribed Text] Tokyo, Oct. 17 KYODO — Some 3,500 people, including representatives from Japan's three ruling parties, on Tuesday [17 October] participated in a Tokyo rally demanding a review of the Status of Forces Agreement that grants certain privileges to U.S. troops stationed in Japan.

The bilateral agreement came under fire in the wake of the rape of a 12-year-old Okinawan girl that was tied to three U.S. servicemen, since it stipulates that suspects have to be turned over to Japanese authorities only after formal indictment by Japanese prosecutors.

In an appeal endorsed at the rally in Hibiya Park, the demonstrators demanded that the United States sincerely apologize for the incident and compensate the rape victim, that the bilateral agreement be reviewed and that there be a massive withdrawal of U.S. bases.

Social Democratic Party Vice Chairman Kosuke Uehara, a former chief of the Okinawa Development Agency, told the protesters, "We cannot allow the U.S.-Japan Security Treaty to be put above our pacifist constitution."

"We have to overhaul the bilateral security arrangements which are out of sync with the new international situation and ensure that the Status of Forces Agreement takes a form that puts Japan on an equal footing with the U.S., that reflects Japan's sovereignty," he said.

Taku Yamasaki, head of the Liberal Democratic Party's Policy Affairs Research Council, said, "We will promote the restructuring of U.S. military bases, taking into account the wishes of local residents as much as possible."

But he drew heavy fire and "go home" shouts from the crowd when he urged the understanding and cooperation

of local residents "to maintain the U.S.-Japan Security Treaty system that has become a major pillar of bilateral relations and also ensures development in the Asia-Pacific region."

New Party Sakigake's [Harbinger] senior policymaker Naoto Kan said that it is necessary to deal calmly with the matter in light of the longstanding bilateral security arrangements.

Murayama Discusses Bases With Okinawan Officials

*OW1810144495 Tokyo KYODO in English
1402 GMT 18 Oct 95*

[FBIS Transcribed Text] Tokyo, Oct. 18 KYODO — Prime Minister Tomiichi Murayama responded Wednesday [18 October] in a positive tone to a call by the heads of municipal governments in Okinawa for a reduction in U.S. military bases in the nation's southernmost prefecture.

"I will handle the issue in a manner that shows our compassion for Okinawans," Murayama said in a meeting with mayors and other heads of local governments in Okinawa led by Naha Mayor Yasuharu Oyadomari.

The municipal heads urged Murayama to ask the United States to improve discipline among U.S. servicemen and promote streamlining and cutbacks in U.S. bases in Okinawa.

They also called for a sweeping review of a bilateral agreement on the legal status of the U.S. military personnel stationed in Japan, which has become the symbol of the indignation and rancor among Okinawans against the U.S. military presence after the recent rape of a schoolgirl, for which three U.S. servicemen have been indicted.

Meanwhile, Noboru Hoshuyama, head of the Defense Facilities Administration Agency, which is in charge of providing land for U.S. bases in Japan, recommended that Murayama start preparing for the necessary legal procedure to continue forced rental of land owned by Okinawa residents for use by U.S. forces.

Hoshuyama told Deputy Chief Cabinet Secretary Teijiro Furukawa that it is difficult to break the current impasse over the issue because of the recalcitrance of Okinawa Gov. Masahide Ota, who has refused to cooperate with the central government in the forced land rental.

Furukawa, however, said the government should seek a solution through dialogue instead of resorting to legal steps.

Hoshuyama, who visited Okinawa last month seeking to persuade Ota to soften his stance on the issue but

failed to meet him, said the agency is considering further requests to the U.S. for the return to Japan of land used for U.S. facilities.

But nothing less than a drastic reduction in U.S. bases in Okinawa, which could lead to a collapse of the U.S.-Japan security regime, would change Ota's mind, Hoshuyama argued.

Ota is backed by strong calls from local leaders and citizens for a reduction in the U.S. military presence in Okinawa, home to about 24,000 of the 44,000 U.S. military personnel stationed in Japan and 75 percent of U.S. military facilities.

Murayama, however, has made clear that he is reluctant to take the legal steps, including a lawsuit against Ota.

Murayama's Social Democratic Party, for its part, decided the same day to seek a sharp cutback in the U.S. bases in Okinawa and a total review of the Status of Forces Agreement.

The party's Central Executive Committee is to approve a five-point policy featuring these demands at a meeting Thursday, party sources said.

Governors Polled on Ota's Decision on Bases

OW1810101995 Tokyo KYODO in English
0815 GMT 18 Oct 95

[FBIS Transcribed Text] Tokyo, Oct. 18 KYODO — Thirteen Japanese prefectural governors support Okinawa Gov. Masahide Ota's decision to refuse cooperation with the central government in forcing unwilling Okinawans to rent their land to the U.S. Forces, a KYODO NEWS SERVICE survey showed Wednesday [18 October].

The survey of governors of Japan's 47 prefectures, excluding Ota himself, was responded to by all except those from Fukushima and Kagoshima prefectures.

It showed that of the 44 respondents, the governors of Saitama, Kochi, Hokkaido, Iwate, Miyagi, Gunma, Yamanashi, Shiga, Osaka, Wakayama, Hyogo, Shimane and Oita stated clearly their support for Ota's decision.

The governors of the 31 other prefectures all declined to state a clear opinion.

The survey also showed that the governors of Osaka, Miyagi, Saitama, Yamanashi, Gifu, Mie, Kyoto, Hyogo and Kumamoto said they would do the same as Ota if confronted by a request from the central government which was against the wishes of local residents.

However, most governors declined to comment on whether they would resist if asked to carry out a job

delegated to them by the central government which went against local interests.

Ota was asked to sign documents on behalf of the government allowing the continued use of land plots inside the U.S. bases, but the owners of the land have been refusing to let it be used by the U.S. military.

He said a system whereby the central government can delegate work to leaders of local governments is "irrational" precisely because such tasks could include those against local interests.

Poll: 40.2 Percent Against U.S. Security Treaty

OW1710012395 Tokyo KYODO in English
0030 GMT 17 Oct 95

[FBIS Transcribed Text] Tokyo, Oct. 17 KYODO — The public support rate for Prime Minister Tomiichi Murayama's government has dropped to the second lowest level of 31.0 percent, while a record 43.9 percent do not support it, a newspaper opinion poll published Tuesday [17 October] said.

The poll, conducted at the weekend by the business daily NIHON KEIZAI SHIMBUN, shows the support rate was barely above the record low of 29.9 percent in a survey taken in July last year, just after the Murayama administration was inaugurated.

The rate of voters not supporting the cabinet was up slightly from 43.6 percent in the previous survey in August.

Of the 1,778 adults interviewed by telephone, 40.2 percent said the Japan-U.S. security treaty should be abolished, up sharply from 28.7 percent in the August poll.

The rise followed public anger over the rape of a schoolgirl in Okinawa Prefecture in September, for which three U.S. servicemen have been indicted.

Asked about the timing of the next general election, 42.8 percent favored a date sometime between next April and summer, followed by 25.3 percent wanting it before January and 20.0 percent preferring no election until after fall next year.

The rate of respondents hoping the current tripartite ruling coalition will continue fell to 27.8 percent from 34.6 percent, while those calling for a new governing framework increased to 63.6 percent from 53.2 percent.

The Liberal Democratic Party (LDP), the dominant coalition partner, was supported by 35.6 percent, up 3.2 percentage points. It was the highest rate since the LDP lost its single-party grip on power in 1993.

Murayama's Social Democratic Party was supported by 14.3 percent, up 1.6 points. It exceeded the support rate for the main opposition party Shinshinto (New Frontier Party), which dropped to 13.6 percent from a record 20.3 percent in the previous poll.

Nisshinbo Plans To Make Brake Materials in U.S.

*OW1210020995 Tokyo KYODO in English
0142 GMT 12 Oct 95*

[FBIS Transcribed Text] Tokyo, Oct. 12 KYODO — Nisshinbo Industries Inc., a leading fiber maker, will kick off its manufacturing of automobile brake pads and linings in a new U.S. plant in November, a Nisshinbo spokesman said Thursday [12 October].

The new wholly owned subsidiary, Nisshinbo Automotive Corp., will supply its locally manufactured products to some Japanese automakers running plants in the United States, the spokesman said.

The new plant, based in Sterling Heights, Michigan, will wage a campaign to market its brake friction products to the U.S. "Big Three" automakers, and some of Nisshinbo's engineers will be stationed at the plant as part of this drive, he said.

A team of Japanese engineers will seek to participate in the designing process of new cars of the Big Three automakers by establishing a quick response system to handle the demands for various technical specifications expected from the U.S. automakers, he said.

Nisshinbo currently supplies its brake products to all of the Japanese automakers operating in Japan, and also supplies some of the Japanese automakers operating plants in the U.S.

The new subsidiary is capitalized at 20 million dollars. The new plant will boost its monthly output capacity to 10 tons by the year-end, rising to 30 tons by the end of fiscal 1996, he said.

The initial capital outlay will total 1 billion yen, he added.

Nissan President Stresses Auto Accord Voluntary

*OW1310044195 Tokyo KYODO in English
0004 GMT 13 Oct 95*

[FBIS Transcribed Text] Tokyo, Oct. 13 KYODO — U.S. automakers are urging Japanese automakers to set up a joint task force to monitor compliance of the Japan-U.S. Auto trade agreement of June 28, a major daily said Friday [13 October].

The Tokyo SHIMBUN said General Motors Corp. President John Smith Jr. originally proposed that the automakers set up the body within the Japan-U.S.

business conference, an annual venue for dialogue between business leaders of the two nations.

The proposal was formally submitted to the Japanese business community at a meeting between Fuji Xerox Co. President Yotaro Kobayashi and Caterpillar Inc. President Donald Fites, who flew to Japan in September.

Kobayashi and Fites are the chairmen of the Japan-U.S. Business Council and U.S.-Japan Business Council, respectively.

The proposal calls for commissioning the task force to monitor implementation of the Japan-U.S. auto trade accord and the ambitious "global vision" auto parts procurement programs unveiled by Japanese automakers in the final stages of June's auto trade negotiations, it said.

However, Nissan Motor Co. President Yutaka Kume was quoted by the paper as saying, "The global vision is a voluntary plan, but the U.S. side perceives it as setting (binding) numerical targets."

"We cannot comply with the latest proposal," Kume was quoted as saying.

Toyota Motor Corp. Chairman Shoichiro Toyoda also expressed reluctance to accept the latest proposal, it said.

Ministry on Easing Licensing for U.S. Airlines

*OW1710145395 Tokyo NIHON KEIZAI SHIMBUN
in Japanese 17 Oct 95 Morning Edition p 5*

[FBIS Translated Text] On 16 October, the Ministry of Transport announced that it plans to shorten license terms for U.S. airline companies as a retaliatory step against the U.S. Government's shortening the term of license (for flights between Sendai and Honolulu) for which Japan Air Lines [JAL] has applied. The ministry's action will affect two flight routes (Nagoya-Honolulu and Fukuoka-Honolulu) operated by Northwest Airlines and another route (Nagoya-Portland) operated by Delta Air Lines. The Transport Ministry plans to initially approve the two U.S. airline companies' winter flight route plans until 30 March. For the companies' next 6-month summer flight route plans after 31 March, the ministry plans to tentatively approve a 2-day extension until 1 April.

Last weekend, the U.S. Government decided to shorten JAL's application for a 1-year extension for its Sendai-Honolulu route to 168 days and allow operations only until 1 April. Since late next March is said to be the deadline for reaching some kind of agreement in the Japan-U.S. aviation talks (over the air cargo sector), the United States has indicated that by placing operational

restrictions on JAL, it thereby plans to apply pressure to turn the outcome of the negotiations in its favor.

Meanwhile, the Transport Ministry hopes that at the bilateral aviation talks over the air cargo sector, it will be able to establish an aviation framework that will put Japan on an equal footing with the United States in regard to operational rights. The ministry decided on its latest steps because it "also wants to avoid further imbalance in the passenger transport sector" (according to an official at the Transport Ministry's Civil Aviation Bureau). In the past, the Transport Ministry has taken comparable steps against operational restrictions on Japanese airline companies by the U.S. Government. This time, the ministry has responded with matching the shortening of the license terms.

Police Report U.S. F-15 Fighter Crashes off Okinawa

OW1810022995 Tokyo KYODO in English
0211 GMT 18 Oct 95

[FBIS Transcribed Text] Naha, Oct. 18 KYODO — An F-15 fighter of the U.S. forces crashed in the sea south of Okinawa island on Wednesday morning [18 October], police said.

The Air Self-Defense Force is assisting in the search for the plane, police said.

The pilot of the fighter was rescued unhurt by a helicopter of the Air Self-Defense Force, the press office of the U.S. Forces in Okinawa said.

U.S. Authorities Investigating

OW1810054895 Tokyo KYODO in English
0534 GMT 18 Oct 95

[FBIS Transcribed Text] Naha, Japan, Oct. 18 KYODO — A U.S. Air Force pilot was rescued Wednesday [18 October] by Japanese Air Self-Defense Force (ASDF) personnel an hour after his F-15C aircraft crashed into the ocean some 100 kilometers south of Okinawa Prefecture, public relations officers at Kadena Air Base said.

The fighter jet was on a routine training mission from the U.S. military base at Kadena when it crashed at 9:37 A.M. The pilot ejected, and was later picked up by ASDF personnel and transported to a hospital, though he was reportedly uninjured, they said.

U.S. military authorities are investigating the cause of the accident.

The crash was the 121st since Okinawa reverted back to Japan in 1972 and was the 14th involving an F-15.

"Following the rape of the elementary schoolgirl, this accident is only going to add to the sense of unease felt by the people and we want to make a serious protest to the U.S. military," Choko Takayama, a senior prefectural government official, said.

Public sentiment against the presence of U.S. Forces in Japan has reached a peak since the rape of 12-year-old girl, allegedly by three U.S. servicemen in Okinawa.

Tatsuo Matayoshi, head of the Okinawa Governor's Office, called the accident "extremely regrettable" and the cause of major unease for the people since repeated accidents are another problem added to the difficulties faced by those living near the U.S. military bases.

"As the anger of the people and their voice of protest continues to grow over the rape of the young girl, we cannot forgive the occurrence of these U.S. military-related accidents," said the spokesman for Gov. Masahide Ota.

"Until the cause of the crash is ascertained, the prefecture is going to firmly request the U.S. military to ground all flights of similar aircraft," said Matayoshi.

Okinawa Urges Flights Suspension

OW1810151295 Tokyo KYODO in English
1455 GMT 18 Oct 95

[FBIS Transcribed Text] Naha, Japan, Oct. 18 KYODO — Okinawa urged U.S. military authorities Wednesday [17 October] to conduct full safety checks on aircraft at Kadena Air Base and suspend flights of F-15 fighters following a plane crash earlier in the day.

Officials of the Okinawa prefectural government conveyed the request to Maj. Gen. William Hobbins, who promised to limit the flights to the minimum necessary Thursday and Friday to conduct checkups.

An F-15c aircraft crashed into the ocean some 100 kilometers south of Okinawa prefecture, southwestern Japan, but the pilot was rescued.

The crash was the 121st since Okinawa reverted back to Japan in 1972 and was the 14th involving an F-15.

"Following the rape of the elementary schoolgirl, this accident is only going to add to the sense of unease felt by the people and we want to make a serious protest to the U.S. military," said one of the Okinawa officials.

Public sentiment against the presence of U.S. forces in Japan has reached a peak since the rape of a schoolgirl, allegedly by three U.S. servicemen in Okinawa.

Meanwhile, a peace activist organization in Hiroshima called on Hiroshima Gov. Yuzan Fujita to seek suspension of U.S. military flights at low altitude.

The organization submitted a letter of request to the governor, calling for detailed information on such flights and efforts toward their suspension.

Thirteen of the 17 local governments in the prefecture questioned by the organization said low-altitude flights are being conducted in their areas.

NFP's Ozawa Visits Shanghai on 'Private Visit'

*OW0910052995 Tokyo ASAHI SHIMBUN
in Japanese 7 Oct 95 Morning Edition p 2*

[By Katsuhiko Shimizu]

[FBIS Translated Text] Shanghai, 6 Oct — Ichiro Ozawa, secretary general of Shinshinto [New Frontier Party; NFP] arrived in Shanghai on the evening of 6 October for a "private visit." It is unusual for him to be touring China while the Diet is in session. According to several informed sources here, Ozawa plans to meet with Chinese officials, including Wang Daohan, chairman of the Association for Relations Across the Taiwan Strait, the Chinese liaison office concerned with relations with Taiwan.

Ozawa has visited China before. However, it is said that he has weak connections in China. When Vice Premier Zhu Rongji visited Japan last year, he asked to see Ozawa but the meeting did not materialize. Since relations between the Japanese and Chinese Governments have been impaired because of the PRC's nuclear tests, there is also considerable interest in China because of the timing of Ozawa's "private trip."

Ozawa has no plan to visit Beijing. He plans to return to Tokyo on 9 October.

Ozawa was not seen at the meeting of NFP executives and the regular meeting of the party's executive committee held at the Diet building on 6 October. The party secretariat says: "He is in Tokyo."

Tokyo, ROK Agree on Regular Defense Meetings

*OW1310124995 Tokyo SANKEI SHIMBUN
in Japanese 12 Oct 95 Morning Edition p 1*

[FBIS Translated Text] On 11 October, the Defense Agency [DA] and the South Korean National Defense Ministry agreed in principle to hold regular meetings to exchange information on military equipment (weapons), a DA source disclosed. Such exchanges will significantly promote trust between the two countries and thereby contribute to "stability in Northeast Asia" (according to a senior DA official).

Hisamitsu Arai, director of the DA's Bureau of Equipment, met with South Korean National Defense Ministry officials on 16 September when he visited the ROK. At

the meeting, the South Korean side proposed holding regular exchanges with officials of the DA bureaus and the Joint Staff Council in charge of equipment, and a basic agreement was reached at a working-level meeting.

The two sides had been scheduled to agree officially on the exchange proposal at a Japan-ROK defense summit on 22 September. However, due to limited time at the defense summit and other reasons, the South Korean side did not make an official proposal at that time. Concrete and detailed discussions of an exchange program will start as soon as the South Korean side makes its proposal at an official meeting.

So far, Japan and the ROK have not had concrete exchanges on equipment; the only exchange took place when senior officials of the South Korean military attended a short seminar at the DA's Technical Research and Development Institute in 1994.

The main features of the discussions and the exchange program will be technical matters, including mutual disclosure of information on certain equipment and improvements. As for building trust, a senior DA official said: "Exchanges in the fields of defense policies and equipment are like the two wheels of a cart." A senior official of the Ground Self-Defense Force said, "Military men can build mutual trust only when they show each other their weapons."

According to a senior official, both Japan and the ROK are saying: "The U.S. forces' weapons are for world strategies and are more advanced than those of Japan or the ROK. We cannot say that discussions with the United States alone are sufficient." Ties of alliance with the United States and the exchange program between the two countries with similar equipment will solve technological issues, for example parts problems.

However, the ROK, which aims at improving its naval and air forces, "may ask Japan, which has abundant experience, for know-how" on weapons operation (according to a senior DA official). Meanwhile, the Self-Defense Force is very much interested in new T-80 tanks and aircraft that the ROK plans to import from Russia.

Moreover, the ROK may ask for Japan's high technology. Therefore, the DA plans to explain to the ROK that "it is impossible to do because of the three principles on weapons export" (according to a senior official).

Moreover, detailed discussions on the operation of submarines and other equipment may be considered participation in South Korean military's strategies, and Japan may play the "role of military adviser." This is an exercise of collective self-defense, which is banned

by the Constitution. Therefore, the DA wants to finalize the contents of the discussions carefully.

Kuwaiti Ruler Arrives for Official Visit 18 Oct

LD1810131595 Kuwait Radio Kuwait in Arabic
1000 GMT 18 Oct 95

[FBIS Translated Excerpt] His Highness Shaykh Jabir al-Ahmad al-Jabir al-Sabah, the amir, and his accompanying delegation arrived at noon today at Tokyo's Haneda International Airport, to begin an official working visit to Japan. [passage omitted]

The emir made the following statement on his arrival:

The main aim of my visit to Japan is to express the Kuwaiti people's gratitude to and appreciation of the Japanese people for their firm stance in support of Kuwait and of the necessity to implement the UN resolutions on the Iraqi aggression against our country. This is in addition to consolidating and strengthening the existing close friendship between the two countries and widening the scope of bilateral cooperation, particularly in the fields of trade, economics and joint development ventures, in either country or in other developing countries. [passage omitted]

Tokyo Announces Flood Aid to Thailand, Laos

OW3009014295 Tokyo KYODO in English
2344 GMT 29 Sep 95

[FBIS Transcribed Text] Tokyo, Sept. 30 KYODO — The Japanese Government has decided to extend a total of 300,000 dollars in emergency aid to Thailand and Laos, where there has been massive flooding since July, the Foreign Ministry said Saturday [30 September].

The ministry said Japan will provide Thailand with 200,000 dollars and 50 million yen worth of medicine. Laos will receive 100,000 dollars.

Murayama Urged To Allow Union Input in APEC

OW0710061295 Tokyo KYODO in English
0452 GMT 7 Oct 95

[FBIS Transcribed Text] Tokyo, Oct. 7 KYODO — Labor union leaders from members of the Asia Pacific Economic Cooperation (APEC) forum on Saturday [7 October] urged Prime Minister Tomiichi Murayama to allow labor unions to join talks at APEC working committees on labor issues.

They asked Murayama, who chairs the APEC meeting in November in Osaka, to establish forums where labor unions can express their views on social problems such as pollution and poverty, union officials said.

The leaders are members of the Asia-Pacific Labor Union Network of the International Confederation of Free Trade Unions (ICFTU).

The network was set up in September by labor unions in 15 APEC members belonging to the ICFTU.

Ministry Reports Apr-Sep Trade Surplus Shrinks

OW1810022495 Tokyo KYODO in English
0204 GMT 18 Oct 95

[FBIS Transcribed Text] Tokyo, Oct. 18 KYODO — Japan's merchandise trade surplus narrowed by 5.1 percent in the first half of fiscal 1995, underscoring a declining trend in the surplus as import volume continued growing, the Finance Ministry said Wednesday [18 October].

The ministry also said the nation's politically sensitive trade surplus with the United States in the half year dropped for the first time in eight terms, a development that could ease upward pressure on the yen in currency markets.

"Japan's trade surplus basically remains on a downward trend," a ministry official said, briefing reporters on the trade data.

The ministry announced Japan's customs-cleared worldwide trade surplus fell 5.1 percent in the April-September period from a year earlier to 56.19 billion dollars before seasonal adjustments for the third consecutive quarter of year-on-year falls.

Exports advanced 15.8 percent to 227.71 billion dollars, but this was more than offset by imports rising 24.8 percent to 171.52 billion dollars, it said.

Measured in yen, the April-September surplus posted a 17.3 percent fall to 4,980.1 billion yen, the ministry said.

The official attributed the decline in the surplus to continued growth in import volume, which far outpaced an increase in exports.

"The ministry hopes Japan's trade surplus will fall further, against the background of a series of economic measures, including the latest package unveiled in late September," he said.

The ministry said Japan's trade surplus with the U.S. for the first half declined 13.9 percent to 23.32 billion dollars.

"The narrowed gap stemmed from a decrease in exports, particularly auto shipments due to the yen's rise against the dollar," the official said.

The surplus with the European Union fell a small 0.7 percent to 10.65 billion dollars, but that with other Asian nations rose 21.4 percent to 38.08 billion dollars, the ministry said.

In its worldwide trade, Japan posted a 44.0 percent rise in exports of semiconductor and other electronic devices and a 72.1 percent surge in shipments of metal-processing machinery. But auto exports fell 5.5 percent, with U.S.-bound shipments declining 13.6 percent.

In imports, meanwhile, office-use equipment rose 79.2 percent and electronic devices 65.4 percent. Auto imports also advanced 47.0 percent.

The ratio of imports of manufactured products hit a record high of 59.1 percent on a half-year basis. The previous high was 56.6 percent in the second half of fiscal 1994.

In September alone, Japan's overall trade surplus dropped 5.6 percent to 11.29 billion dollars, a decrease for the third consecutive month.

In that month, exports increased 6.9 percent to 38.64 billion dollars, while imports advanced 13.1 percent to 27.36 billion dollars.

The surplus with the United States fell 24.1 percent to 4.42 billion dollars, a decline for the fourth straight month.

But the surplus with the eu rose 12.9 percent to 2.59 billion dollars, the first rise in three months, due to slower growth in imports from the region.

Economists questioned the ministry's optimistic expectations of further falls in the trade surplus.

Nobuyuki Saji, senior economist at the Nikko Research Center, said the effects of the yen's rapid rise against the dollar earlier this year have been reflected recently in Japan's trade surplus.

Given the yen's recent weakening, which has kept import prices from falling further, therefore, import growth may reach a ceiling soon, checking the downtrend of the surplus, saji said.

Export growth has been curbed in value terms, but not in volume terms, during the July-September quarter, he added.

Doubting whether the surplus with the U.S. will continue to drop substantially, as was seen in the first half of fiscal 1995, saji said there is a possibility that Japan's entire surplus could regain an upward trend next year.

Survey Mission Leaves for Golan Heights Duty

OW1010035795 Tokyo KYODO in English
0308 GMT 10 Oct 95

[FBIS Transcribed Text] Tokyo, Oct. 10 KYODO — A 22-member Japanese survey mission left Tokyo on Tuesday [10 October] for the Israeli-occupied Golan Heights to gather information prior to the arrival of Self-Defense Forces personnel there on a UN peacekeeping mission, government officials said.

The mission consists of officials of the International Peace Cooperation headquarters of the Prime Minister's Office, the Foreign Ministry and the Defense Agency.

The mission is scheduled to return home Oct. 21. The team will also visit Israel and Syria to collect practical and technical information necessary for UN peacekeeping operations.

Some 45 members of Japan's Self-Defense Forces will take over UN peacekeeping duties from Canadian troops in late February and join the Syria-based UN Disengagement Observer Force.

Ministry Revising Immigration Law, Visa Period

OW1410091195 Tokyo KYODO in English
0818 GMT 14 Oct 95

[FBIS Transcribed Text] Tokyo, Oct. 14 KYODO — The Justice Ministry has started preparations for revising the current immigration law to facilitate the deportation of illegal immigrants who do not fight their case in court, ministry sources said Saturday [14 October].

The revised law might also spell out a clear code of conduct for guards in detention camps to ensure that cases like the battering of a detained Chinese woman during questioning last year do not happen again, the sources said.

And the ministry plans to extend from one to five years the validity of reentry visa, which are necessary for visits abroad during an approved period of stay.

The revised law will be submitted to the Diet at the earliest during the next regular session beginning in January, the sources said.

At the core of the revision of the immigration-control and refugee-recognition act is a change in deportation procedures, the first since the law was enacted in 1951, which is expected to help empty crammed deportation camps and ease the burden on undermanned personnel.

Under strict quasi-judicial procedures, foreigners who are found to have entered Japan illegally or overstayed their visas must be detained and deported.

However, some 70 percent of foreigners staying illegally in Japan turn themselves in to authorities, which opens the way for their provisional release on bail until deportation procedures are completed.

But since not all detainees are able to pay the bail and the administrative process currently takes between one week and 10 days, detention camps become unnecessarily crammed.

According to ministry estimates, some 287,000 foreigners were staying in Japan illegally as of May this year, although the actual figure is believed to be higher.

A total of 65,000 illegal immigrants were deported last year after going through cumbersome quasi-judicial procedures. Over the last decade, the number of people held in detention camps in the course of a year tripled from 9,500 in 1985 to 32,000 last year.

Immigration officials and guards number just 2,400 across Japan, leading to grossly undermanned camps. At detention facilities, only a dozen guards supervise 400-500 inmates at any one time, a situation that has caused considerable friction.

The revision will try to remedy these problems by "mapping out a future-oriented accurate response," according to the sources.

This will include a simpler, more efficient deportation procedure, they said.

KYODO Carries Table of Parliamentary Strength

OW1610111795 Tokyo KYODO in English
0954 GMT 16 Oct 95

[FBIS Transcribed Text] Tokyo, Oct. 16 KYODO — The following is a new table of parliamentary strength in both houses of the Diet after an independent member of the House of Representatives, Tatsuo Kawabata, on Monday [16 October] rejoined the main opposition Shinshinto (New Frontier Party):

House of Representatives		House of Councillors	
Ruling Coalition			
LDP	209	LDP	110
P	63	SDP	39
New Party Sakigake	21	New Party Sakigake	3
Opposition			
Shinshinto	170	Heisei Kai	68
JCP	15	JCP	14

House of Representatives		House of Councillors	
Minshu-no-kai	6	Sangiin Forum	5
New Democratic Club	3	Shin Ryokufu-kai	4
Independent Club	3	Niin Club	4
Independents	8	Independents	4
Vacancies	13	Vacancies	1
Total	511		252

Note: LDP is the Liberal Democratic Party, SDP the Social Democratic Party and JCP is the Japanese Communist Party.

Business Leader Cautious About New Reform Body

OW0910143195 Tokyo KYODO in English
1310 GMT 9 Oct 95

[FBIS Transcribed Text] Tokyo, Oct. 9 KYODO — A business leader on Monday [9 October] sounded cautious about creating a third ad hoc commission on administrative reform.

Shoichiro Toyoda, chairman of the powerful Federation of Economic Organizations (Keidanren), expressed the view at a news conference, in response to a proposal for the establishment of such an organ made by Jiro Ushio, chairman of the Japan Association of Corporate Executives (Keizai Doyukai).

"It's time to implement administrative reform as soon as possible," Toyoda said, adding, "such reform should be pushed under the existing administrative reform committee."

Keidanren supports the committee, he said.

Aum's Asahara Admits Ordering Murder of Family

OW1310043595 Tokyo KYODO in English
0346 GMT 13 Oct 95

[FBIS Transcribed Text] Tokyo, Oct. 13 KYODO — The indicted leader of Aum Shinrikyo, Shoko Asahara, has told police that he ordered the murder in 1989 of a Yokohama lawyer and his wife and son after senior Aum members said it would be impossible to kill only the lawyer, police sources said Friday [13 October].

Asahara, 40, allegedly confessed that in November that year, a few days before lawyer Tsutsumi Sakamoto and his family were allegedly murdered by several Aum members, Kiyohide Hayakawa, 46, head of

Aum's "construction section," and Kazuaki Okazaki, 34, a senior group member, proposed the plot to him. Sakamoto had been critical of Aum.

Asahara allegedly quoted the two senior disciples as saying, "We cannot make it in the House of Representatives election with Sakamoto on our back — we have no choice but to remove him."

At the time, Sakamoto was leading a group of parents who wanted to take their children back from Aum and was preparing to file a lawsuit against the group.

When Hayakawa and Okazaki went to Sakamoto's house on the day of the murder, they told Asahara by telephone that it would be impossible to kill only the lawyer since the three were sleeping together, according to the sources.

Asahara then ordered them to kill all three, according to Asahara's confession quoted by the sources.

Asahara and five other Aum members, including Hayakawa and Okazaki, have been arrested on suspicion of murdering Sakamoto, his wife Satoko and their 1-year-old son Tatsuhiko.

Asahara, 40, had previously denied his involvement in the murder case.

Asahara, Four Others Indicted

*OW1310095095 Tokyo KYODO in English
0859 GMT 13 Oct 95*

[FBIS Transcribed Text] Tokyo, Oct. 13 KYODO — Prosecutors on Friday [13 October] filed fresh charges against Aum Shinrikyo leader Shoko Asahara and four other members of the religious cult for the 1989 murder of a lawyer who criticized the group, along with his wife and their baby son.

In addition to Asahara, the Tokyo District Public Prosecutors Office filed additional charges against Kiyohide Hayakawa, 46, Tomomasa Nakagawa, 32, Tomomitsu Niimi, 31, and Satoru Hashimoto, 28. Prosecutors also indicted former Aum member Kazuaki Okazaki, 34, for the first time.

The accused men, except Okazaki, have been already indicted on separate charges, including fatal gas attacks, murder and kidnapping.

The five Aum members, excluding Asahara, broke into the Yokohama home of lawyer Tsutsumi Sakamoto, 33, and strangled him and his wife Satoko, 29, and their only son Tatsuhiko, 1, at around 3 A.M. on Nov. 4, 1989, according to the indictment.

Hideo Murai, a senior Aum member who was later stabbed to death by a self-proclaimed rightist, was also

among the team which broke into the Sakamoto home, according to the indictment.

They buried the body of the lawyer in Niigata Prefecture, his wife in Toyama Prefecture and their son in Nagano Prefecture.

Two days before the killings, Asahara allegedly ordered the six to commit the murder after being told by Hayakawa and others that the lawyer's activities would impede Aum's campaign in the 1990 House of Representatives election, according to investigative sources.

Twenty-five Aum members, including Asahara, ran and lost in the lower house election in February 1990. Hayakawa and Okazaki are said to have played major roles in Aum's election campaign.

At the time of his death, Sakamoto was leading a group of parents who wanted to recover their children from Aum, and he was preparing to file a lawsuit against the group.

Earlier Friday, police sources said Asahara has told police that he ordered the murder of the family after senior Aum members said it would be impossible to kill only the lawyer.

Asahara allegedly confessed that in November that year, a few days before the murder, Hayakawa, head of Aum's "construction section," and Okazaki proposed the plot to him.

Asahara allegedly quoted the two senior disciples as saying, "we cannot make it in the House of Representatives election with Sakamoto on our back — we have no choice but to remove him."

When Hayakawa and Okazaki went to Sakamoto's house on the day of the murder, they told Asahara by telephone that it would be impossible to kill only the lawyer since he was sleeping alongside his wife and child, according to the sources.

Asahara then ordered them to kill all three, according to Asahara's confession quoted by the sources.

In a related development, police sources said Nakagawa and another senior Aum member will be rearrested in connection with May's parcel bomb attack on Tokyo Gov. Yukio Aoshima.

Nakagawa and Yoshihiro Inoue, 25, both already indicted in other cases, will face further charges of attempted murder and illegal production of explosives, the sources said.

Police have already arrested two other cult followers, Toru Toyoda, 27, and Masahiro Tominaga, 26, of the

five suspects in the case. The remaining suspect, Naoko Kikuchi, 23, is still at large.

The parcel bomb, delivered May 16 to the Metropolitan Government Building in Shinjuku Ward, central Tokyo, exploded when Aoshima's secretary Masaaki Utsumi opened it in his office, which adjoined that of the governor. Utsumi lost the fingers of his left hand in the blast.

The five members allegedly produced the powerful RDX explosive in early May in a cult hideout in Hachioji, Tokyo, and posted the bomb hidden in a book around May 11.

Asahara Not Opposed to Aum Voluntary Disbandment

*OW1310123595 Tokyo KYODO in English
1143 GMT 13 Oct 95*

[FBIS Transcribed Text] Tokyo, Oct. 13 KYODO — Aum Shinrikyo leader Shoko Asahara has said he does not oppose the religious group's voluntary disbandment if it becomes necessary and pledged that he will obey laws, his lawyer said Friday [13 October].

The consent by the 40-year-old Asahara does not mean he will break up the sect immediately, but the group has obtained his assent so that it can speedily take adequate measures when necessary, said lawyer Shoji Yokoyama.

Yokoyama was referring to the possibility of a court ordering Aum to dissolve under a law on religious groups or the 1952 Antisubversive Activities Law being applied to the group to break it up.

In June, prosecutors and the Tokyo metropolitan government filed petitions with the Tokyo district court seeking an order to break up the cult over its alleged involvement in the manufacture of the lethal nerve gas sarin.

The state is also studying the feasibility outlawing Aum by invoking the antisubversive law, which has never been applied to any group since it took effect.

Asahara and other Aum members have been indicted on murder charges in connection with sarin attacks in June last year and March this year, which killed a total of 19 people and injured thousands.

In mid-September, Yokoyama asked Asahara, who has been in custody since May, to consider a proposal by Aum members that he consent to a voluntary breakup of the group.

The Aum head gave the green light when the lawyer met him Oct. 4, saying people can engage in religious activities without forming a legal religious group, Yokoyama said.

On the same day, Yokoyama obtained the Aum founder's seal on a written pledge that Asahara "will obey laws as a Japanese and will never commit any illegal act," according to the lawyer.

The pledge, which was first proposed by Yokoyama, is being kept by Aum, he said.

Asahara has fasted every other day for a time after his arrest but at present is taking meals every day, keeping his weight at 68 or 69 kilograms, the lawyer said.

Former GSDF, Aum Member Receives Sentence

*OW1610050595 Tokyo KYODO in English
0354 GMT 16 Oct 95*

[FBIS Transcribed Text] Tokyo, Oct. 16 KYODO — A former Aum Shinrikyo follower, who is also a former member of the Elite Paratroops Unit of the Ground Self-Defense Force [GSDF], was sentenced to a suspended prison term Monday [16 October] for attempting to wiretap the home of an SDF commander's daughter.

Shinya Asano, 27, was sentenced to a two-year term, suspended for three years [probation], by the Tokyo District Court for attempting to wiretap the condominium last March and for breaking into a drivers' license examination center in Tokyo last December.

Presiding Judge Atsushi Senba said Asano's role in the wiretapping was a serious privacy violation, but suspended the term since Asano said he seriously regrets his involvement in the two incidents.

Prosecutors demanded a two-year term against the former GSDF noncommissioned officer.

Asano, together with other Aum members, installed a bug in the Chiba condominium of his paratroops unit commander's daughter March 7, but the device did not function, according to the ruling.

Asano belonged to the paratroops unit at the time of the incident.

In April, Asano resigned from the GSDF after being reprimanded for the case.

He also broke into a drivers' license examination center in Koganei, Tokyo, last December in preparation for stealing documents necessary to make fake licenses, according to the ruling.

Tax Avoidance 'Scheme' Tops 140 Billion Yen

*OW1110033295 Tokyo KYODO in English
0316 GMT 11 Oct 95*

[FBIS Transcribed Text] Tokyo, Oct. 11 KYODO — Japanese companies used the transfer pricing scheme to

underreport a total of 140 billion yen in income in nine years to June this year, and penalty taxes have been imposed, the National Tax Administration Agency said Wednesday [11 October].

The agency did not disclose the amount of penalty taxes for the transfer pricing cases, which numbered about 80.

In general, when a company is found to have underreported income, the agency imposes a 10 percent additional tax on top of the tax that should have been paid, and if the gap exceeds a certain level, a 15 percent additional tax is imposed.

Transfer pricing is a device used by multinational corporations to minimize income in a country where tax rates are higher.

If, for example, a Japanese company pays unduly high prices for industrial materials supplied by a subsidiary in a country with lower tax rates, the company can report less income at home and minimize taxes in Japan.

To prevent this, many countries around the world have introduced countermeasures against transfer pricing. Japan adopted such regulations in 1986.

This, in turn, has caused a problem of double taxation — a company being taxed in more than one country on the same portion of income.

The agency said that of the 80 cases of transfer pricing, more than 10 companies complained they were being doubly taxed, and the agency reduced the amount of income it had recognized as transferred and returned the imposed taxes for some of the companies, after it negotiated with the tax authorities in the countries concerned.

With Japanese companies increasingly expanding their businesses overseas, the numbers of cases of transfer pricing and double taxation complaints are gradually rising.

While taxation authorities are discussing adjusting their transfer pricing taxation systems, more Japanese companies have started consulting the agency about the adequate level of prices before transactions are settled, the agency said.

Vice Finance Minister on Financial Scandals

*OW1610122295 Tokyo KYODO in English
0937 GMT 16 Oct 95*

[FBIS Transcribed Text] Tokyo, Oct. 16 KYODO — The Ministry of Finance will deal promptly and adequately with financial scandals through the speedy disclosure of information, Vice Finance Minister Kyosuke Shinozawa said Monday [16 October].

"The ministry thinks it necessary to harmonize its policy (on disclosure) with those of other countries amid the era of rapid deregulation," Shinozawa told a news conference.

Shinozawa was commenting on U.S. criticism of the ministry's slow response to a financial fraud case at Daiwa Bank.

After finding out about the fraud in the bank's New York branch, the ministry took more than 40 days to inform U.S. authorities.

"There are differences between Japan and the United States in the way they handle financial scandals, but such differences may lead to misunderstanding and dissatisfaction," Shinozawa said.

The Finance Ministry has repeatedly said it had to be cautious about making public the Daiwa scandal because the information it received at first was very sketchy.

Shinozawa said the ministry would watch coming developments, such as a public hearing on Japan's banking problems to be sponsored by the U.S. Congress on Monday.

"At present, I have no information about how the hearing will be conducted and what specific topics will be taken up," he said.

A bank to replace collapsed Hyogo Bank will be established in October as scheduled, Shinozawa said.

Talks on capital contributions to the new bank are going smoothly between the Finance Ministry and concerned parties, he said.

City banks, trust banks and second-tier regional banks have basically accepted capital plans sketched out by the ministry, while life and nonlife insurance companies are also close to consensus on their participation, explained Shinozawa.

Saddled with huge nonperforming loans, Hyogo Bank, the largest second-tier regional bank in Japan, went under at the end of August.

On the failed Kizu Credit Union, Shinozawa said a framework to liquidate the credit union will be finalized based on results of the ministry's ongoing inspections.

Inspections of its financial standing, especially the scale of problem loans, will be completed by the end of this month, he said.

Kizu Credit Union also collapsed at the end of August.

Keidanren Calculates Effect of Structural Reforms

OW1710121795 Tokyo KYODO in English
1125 GMT 17 Oct 95

[FBIS Transcribed Text] Tokyo, Oct. 17 KYODO — If Japan carries out effective structural reforms in its economy, national industrial output in the year 2010 will be 226 trillion yen more than if reforms are unsuccessful, an influential business organization said Tuesday [17 October].

The Federation of Economic Organizations (Keidanren) issued the calculation in a report on the medium-term outlook and tasks of Japanese industries.

Setting two scenarios for structural reforms — one successful and one unsuccessful — the organization estimated industrial output in primary, secondary and tertiary industries based on prices in 1990.

It said if government deregulations prove successful, the yen's exchange rate against the U.S. dollar will hover around 100 yen and Japan's economy will show a 3 percent annual growth rate through 2010.

Industrial output will reach about 16.3 trillion yen in primary industries, 443 trillion yen in secondary industries and 839.8 trillion yen in tertiary industries, bringing total output to about 1,300.7 trillion yen, the organization said.

If deregulation is insufficient and reforms are not carried out successfully, the yen's value will rise sharply, spurring Japanese manufacturers to further move production overseas, and annual economic growth will be only around 1 percent, it said.

Output in that case will remain about 14.4 trillion yen in primary industries, 333.4 trillion yen in secondary industries and 725.2 trillion yen in tertiary industries, making a total output of about 1,074.7 trillion yen, Keidanren said.

Nishimura Urges Public Funds for Bad Loans

OW1310043495 Tokyo KYODO in English
0326 GMT 13 Oct 95

[FBIS Transcribed Text] Tokyo, Oct. 13 KYODO — A senior Finance Ministry official said Friday [13 October] it will be necessary to use fiscal funds to dispose of banks' problem loans.

"The Bank of Japan [BOJ] should basically deal with bridge funds and liquidity problems while fiscal funds will be necessary to write off losses," Yoshimasa Nishimura, the chief of the ministry's banking bureau, told a session of the House of Representatives' Budget Committee.

At the same session, Bank of Japan Governor Yasuo Matsushita cited three conditions under which the central bank would use emergency loans to solve banking problems.

These are when Japan's entire financial system is exposed to crisis, and when there are no fund suppliers except the BOJ, and when the management of failed financial institutions take responsibility for clearing the bad loans, the governor said.

Ex-Bureaucrats at Banks, Brokerages Reported

OW1310122595 Tokyo KYODO in English
1021 GMT 13 Oct 95

[FBIS Transcribed Text] Tokyo, Oct. 13 KYODO — One in every 17 board members at major Japanese banks and securities houses is a former civil servant despite growing criticism of the "golden parachute" practice, a private credit research agency said Friday [13 October].

Of the 3,332 board members at such institutions covered by the survey, 197 or 5.9 percent came from the Finance Ministry, the Bank of Japan and other government organizations, Teikoku Databank said.

The figures were based on the financial statements of 118 banks and 25 securities companies for the business year ended last March 31. The banks and brokerage houses are listed on the nation's stock exchanges.

The survey showed the number of former bureaucrat board members at banks increased by three from a year earlier to 183, at a time when banks are required to promote restructuring to dispose of problem loans.

Of the former bureaucrats in the banking industry, 95 came from the Finance Ministry, down one from a year before, 64 from the bank of Japan, up five, and 24 from other organizations, down one, according to the survey.

Most of them took up jobs at local banks, with 91 at regional banks and 75 at second-tier regional banks.

The survey said 58 former civil servants held top bank management posts such as chairman, vice chairman, president or vice president, showing that former banking industry regulators are deeply involved in the management of banks.

The number of former bureaucrats in securities houses dropped by six to 14, in accordance to a fall in the overall number of board members in the industry, Teikoku Databank said.

The total number of board members at securities houses dropped by as much as 63, reflecting the industry's restructuring efforts due to the prolonged sluggishness on the stock market.

Of the 14 former civil servants at securities companies, seven came from the Finance Ministry, down four from a year earlier, four from the Bank of Japan, down two, and three from other organizations, unchanged, the survey said.

Government Panel Studies Recovering Bad Loans

OW1710141995 Tokyo KYODO in English
1301 GMT 17 Oct 95

[FBIS Transcribed Text] Tokyo, Oct. 17 KYODO — A government panel on Tuesday [17 October] explored ways to recover problem loans at financial institutions by studying the U.S. experience of the late 1980s, Finance Ministry officials said.

The panel discussed the pros and cons of Resolution Trust Corp. (RTC), a federal debt-recovering vehicle, for a similar possible application in Japan's efforts to clear up the banking mess, the officials told reporters.

"Devising ways to recover assets of failed financial organs may play an important role in solving Japan's banking problem," the officials said.

A subcommittee of the Financial System Research Council, an advisory body to the finance minister, referred to financial techniques the United States had used as a solution to the Savings and Loan (S and L) crisis of the 1980s, the officials said.

The RTC is a U.S. federal agency set up in 1989 to dispose of real estate and other property that fell into government custody after the bankruptcies of S and Ls.

From August 1989 through June this year, the RTC was able to recover 87.2 percent of assets of S and Ls that fell into its custody, the official said.

At the day's meeting, some panelists said liquidation of real estate put up as collateral for nonperforming loans has become extremely difficult due to the unabated fall in land prices, necessitating the creation of a certain entity in charge of absorbing such assets, the officials said.

In connection with the latest fraud scandal to surface at Daiwa Bank's U.S. operations, panel members proposed stepped-up disclosure on important financial information by the Finance Ministry.

The ministry has come under fire by U.S. authorities for its slow response to the scandal after learning of it.

Takemura Suggests Helping Housing Loan Companies

OW1810114795 Tokyo KYODO in English
1021 GMT 18 Oct 95

[FBIS Transcribed Text] Tokyo, Oct. 18 KYODO — Finance Minister Masayoshi Takemura said Wednesday [18 October] that a government role is necessary in liquidating financially troubled housing loan companies.

"We should not exclude political and administrative involvement in the liquidation of housing loan companies," Takemura said at a news conference.

Urging serious discussions to find a solution among parties concerned — housing lenders, founding banks and banks affiliated with agricultural cooperatives — Takemura said if they fail to reach an agreement, a "third party" might step in and make a proposal acceptable to them.

Takemura repeated that by the end of this year, the government will craft a basic scheme for the liquidation of housing loan companies, which are saddled with a huge amount of bad loans.

Regarding Tuesday's ruling on land inheritance taxes by the Osaka District Court against tax authorities, Takemura said the rationality of the taxation system itself was not denied by the judgment.

The court said a 1993 decision by tax authorities to impose on an Osaka plaintiff an inheritance tax higher than the inheritance itself had the strong possibility of being in violation of the right of property.

Takemura said the National Tax Administration Agency is now analyzing the details of the court's ruling to decide whether to take the case to a higher court.

Diet Enacts 5.3-Trillion-Yen Extra Budget

OW1810053795 Tokyo KYODO in English
0433 GMT 18 Oct 95

[FBIS Transcribed Text] Tokyo, Oct. 18 KYODO — The Diet enacted the government's 5.3 trillion yen supplementary budget proposal for fiscal 1995 Wednesday [18 October], paving the way for implementing record economy-stimulus measures aimed at lifting the economy out of the deepest postwar slump.

The House of Councillors passed the extra budget, the second for the fiscal year to next March 31, at a plenary session in the afternoon, with a majority vote supported by the three ruling coalition parties — the Liberal Democratic Party, the Social Democratic Party and New Party Sakigake [Harbinger].

The approval came after the supplementary budget passed the more powerful House of Representatives last Friday.

The chief purpose of the extra budget is to flesh out the 14.22 trillion package of pump-priming measures unveiled by the government Sept. 20. It is the biggest-ever extra budget to back up a pump-priming package by the government.

The extra budget will also cover additional public works projects, which include plans to improve the disaster-prevention system, and reconstruction costs for Kobe and other parts of western Japan hit hard by January's huge earthquake.

It also includes subsidies to farmers affected by liberalization of the farm sector under the Uruguay Round global trade accord and appropriations for measures to fight rapidly increasing crimes involving the use of guns.

The supplementary budget will be financed by 211 billion yen in new deficit-covering bonds and 4,491 billion yen in construction bonds for long-term public investment. This will bring the balance of construction bonds at the end of next March to more than 221 trillion yen.

Murayama Meets DA Officials on FSX Production

*OW1210095395 Tokyo TOKYO SHIMBUN
in Japanese 10 Oct 95 Morning Edition p 3*

[FBIS Translated Text] Prime Minister Tomiichi Murayama summoned Naoaki Murata, vice minister of the Defense Agency [DA], and Masahiro Akiyama, director general of DA's Bureau of Defense Policy, to the Prime Minister's Official Residence on the afternoon of 9 October to talk about reported objections to the mass production of the Air Self-Defense Force's next generation support fighter (FSX).

The DA stressed the need to introduce 141 new FSX fighters, but the prime minister did not comment on this plan, and the issue will be resolved at the meeting of the Security Council in December.

Defense Plan Urges Fewer Troops, More Technology

*OW1810044195 Tokyo KYODO in English
0420 GMT 18 Oct 95*

[FBIS Transcribed Text] Tokyo, Oct. 18 KYODO — The Defense Agency outlined its vision of a smaller, more mechanized Self-Defense Forces (SDF) after fiscal 1996 at a meeting Wednesday [18 October] of the Security Council, agency officials said.

The council, chaired by Prime Minister Tomiichi Murayama, met Wednesday at the Diet to discuss a new version of the 1976 national defense program outline, which will serve as Japan's basic defense policy.

The government is expected to decide on the new concept of the outline as early as mid-November.

The agency explained that it planned to improve the flexibility and diversity of the SDF through technological advances while reducing its size.

The Defense Agency told the council that it planned to reduce the ceiling on the number of its troops in the Ground Self-Defense Force (GSDF), now at 180,000, in accordance with its introduction of a standing reserve system.

GSDF divisions would also be smaller, with the creation of brigades on a smaller scale but armed with more military hardware such as helicopters.

GSDF divisions would be reduced from 7,000-9,000 troops to 6,000-9,000 and the brigades would be expected to be comprised of 2,000-3,000 troops.

The Maritime Self-Defense Force (MSDF) would see reductions in minesweepers and P3C antisubmarine aircraft as well as the number of local MSDF personnel. The number of sailors on destroyers and submarines would remain at present levels.

As for the number of Air Self-Defense Force personnel, the agency is considering the rationalization of personnel manning radar warning systems and the introduction of in-flight refueling aircraft.

The agency plans to maintain its personnel in charge of missiles at current levels.

Mazda Unveils Advanced Safety Vehicle Prototype

*OW1610054295 Tokyo KYODO in English
0423 GMT 16 Oct 95*

[FBIS Transcribed Text] Tokyo, Oct. 16 KYODO — Mazda Motor Corp. on Monday [16 October] unveiled its advanced safety vehicle prototype equipped with new technology in an effort to help prevent traffic accidents.

Mazda is the latest Japanese automaker to announce the development of such a safety vehicle, following Toyota Motor Corp., Honda Motor Co., Mitsubishi Motors Corp. and Nissan Motor Co.

Mazda's new vehicle features an enhanced scanning laser radar that can detect pedestrians with dark clothes from a distance of more than 45 meters even at night, company officials said.

The technology of recognizing the lateral movement of objects has made it possible to detect pedestrians who are approaching the driving lane before they actually come into the lane, the officials said.

The new Mazda vehicle is also equipped with other collision-avoidance technology and precautionary safety systems, they said.

The automakers unveiled their prototype "safe" models under a project being promoted by the Transport Ministry to foster research and development of sophisticated safety technology toward the 21st century.

Asynchronous Data Transfer by Satellite Developed
OW1210115395 Tokyo KYODO in English
1001 GMT 12 Oct 95

[FBIS Transcribed Text] Tokyo, Oct. 12 KYODO — KDD [Kokusai Denshin Denwa], Japan's largest international telecommunications company, announced Thursday [12 October] that it has developed equipment to communicate data by the asynchronous transfer mode (ATM) via artificial satellites.

The equipment will make it possible to communicate large amounts of information even in areas without telephone lines, the company said.

The ATM allows communication of information in a unitary manner by connecting local area networks, TV phones or supercomputers. Only optical fibers have so far made possible such a unified communication.

KDD said that it has developed a new technology for using the mode to accomplish stable transmission of data via satellites.

Grain Price Rise Due to Global Abnormal Weather
OW0910091395 Tokyo KYODO in English
0816 GMT 9 Oct 95

[FBIS Transcribed Text] Tokyo, Oct. 9 (KYODO) — Prices on the domestic grain market have soared due to a supply shortage resulting from abnormal weather worldwide, industry sources said Monday [9 October].

They said the yen's decline and growing demand in Asia resulting from burgeoning economic expansion have added to the worsening supply situation.

The sources said the rising prices are certain to spread to foodstuffs and animal feeds.

A major Japanese commodity futures trading company said corn trading on the Chicago Mercantile Exchange has exceeded oil trading as speculators poured a huge amount of funds into the market.

The sources said the current trend is not a temporary phenomenon because structural factors are responsible for the supply-demand imbalance.

They said swift economic expansion in Asia and the leveling of agricultural productivity worldwide are behind the short supply.

Corn prices have stayed at a seven-year high of 3 dollars per bushel since late September, up about 40 percent over a year earlier, while prices of barley and soy beans also are about 20 percent higher than a year earlier.

The national federation of agricultural cooperative associations raised animal feed prices by 8.0 percent in early October.

The sources said other suppliers are expected to follow suit, dealing a blow to domestic dairy farmers.

Edible oil wholesalers and food processors said they are considering raising their prices by at least 10 percent.

In the United States which accounts for about 70 percent of global trading in grain, corns held in stock have hit a 20-year low due to bad weather, the sources said.

Corn production in the country is expected to decline due to damage by frost, they said.

Grain traders predicted grain prices will remain at high levels for some time in view of basically low supply levels worldwide.

Major general trading house Marubeni Corp. said China's imports which now account for 6 percent of the global trading volume will rise to 20 percent in the year 2000.

North Korea

Foreign Ministry Spokesman Issues Statement
SK1810142195 Pyongyang Korean Central
Broadcasting Network in Korean
1209 GMT 18 Oct 95

["Press statement" by an unidentified DPRK Foreign Ministry spokesman on 18 October; place not given — read by announcer]

[FBIS Translated Text] The press statement by the DPRK Foreign Ministry spokesman:

The United States has been conducting a large-scale joint military exercise called Eagle-95 [as heard] with the South Korean authorities in South Korea since 13 October. Some 30,000 U.S. troops from the U.S. mainland and in South Korea and most of the South Korean puppet army soldiers, as well as many modern offensive war equipment, including nuclear-powered

submarines, destroyers, and landing warships of the U.S. Seventh Fleet, are mobilized in the two-stage exercise that will last until 17 November.

The Eagle-95 joint military exercise, which the United States and the South Korean authorities are madly conducting in the entire South Korea, is a war provocation, a copy of the Team Spirit nuclear war exercise aimed at a northward invasion repeatedly conducted in South Korea every year, in terms of the scale of the mobilized troops and the form and content of the exercise.

The United States conducted the Eagle-94 exercise for seven days last year by mobilizing the South Korean puppet army soldiers and U.S. troops in South Korea. However, this year it is holding the over one month-long exercise in an unprecedented large scale by even mobilizing U.S. troops from its mainland. We cannot but pay special attention to this.

As the world knows, the United States adopted and announced along with us last year the DPRK-U.S. agreed framework, in which it promised it would never conduct any hostile act against us and would improve relations with us. It also declared at home and abroad the suspension of the Team Spirit nuclear war exercise. On 8 October, the United States officially announced that it would not hold the Team Spirit exercise this year. This announcement was welcomed and positively assessed not only by our people but by the peoples of all countries in the world.

However, breaking its promise, the United States has made the situation tense by staging the Eagle-95 joint military exercise with South Korea, which by its nature, it is regarded as the resumption of the Team Spirit. This is a violent [nampokhan] challenge to our people and the people of the world, who hope for genuine peace and security on the Korean peninsula, and is an undisguised betrayal of the DPRK-U.S. agreed framework.

By staging the provocative war exercise against us, the United States has actually opened a gap [tumi saenggige hanun] on the DPRK-U.S. agreed framework on making joint efforts for peace and security of the Korean peninsula and has proven on its own that its promise to suspend the Team Spirit exercise was a trick to deceive the people of the world.

The holding of the Eagle-95 joint military exercise with South Korea by the United States is an anti-peace and anti-dialogue act aimed at aggravating North-South relations and backing the extremely isolated South Korean puppet regime by force of arms.

The United States must be aware that it has no longer the face to talk about the resumption of North-South dialogue. Though it has agreed to working procedures

concerning Army general-level talks for establishing a new peace guaranteeing system proposed by us, the United States is not willing to come out to the table of the talks. It has become clearer that this is because the United States is seeking to step up preparations for a war of aggression behind the scenes of the Armistice Agreement.

If the United States continues aggravating tension, despite the repeated expressions of our magnanimity and assuming an attitude of rejecting negotiations, we will have no other choice but to take actions to root out the outworn armistice system, a main factor causing an unstable situation on the Korean peninsula.

More on Statement

SK1810104695 *Pyongyang KCNA in English*
1034 GMT 18 Oct 95

[“Foreign Ministry spokesman on U.S.-South Korea military maneuvers” — KCNA headline]

[FBIS Transcribed Text] Pyongyang, October 18 (KCNA) — A spokesman for the Foreign Ministry of the Democratic People’s Republic of Korea issued a statement today denouncing the United States for holding joint military maneuvers codenamed Foal Eagle 95 with South Korea.

The United States aims to aggravate inter-Korean relations and back the isolated puppet regime of South Korea by force of arms, the spokesman said, adding that this shows its negative attitude toward peace and dialogue.

He continued:

The United States has been holding large-scale joint military exercises codenamed Foal Eagle 95 with the South Korean authorities in South Korea since Oct. 13.

The two-stage exercises, which will last till Nov. 17, involve 30,000 U.S. troops from the U.S. mainland and in South Korea and most of the puppet army soldiers of South Korea as well as lots of offensive up-to-date means of war, including nuclear-powered submarines, destroyers and landing warships belonging to the U.S. seventh fleet.

We cannot but pay special attention to the fact that the United States is holding a month-long drill unprecedented in scale by including troops from its mainland this year.

In a framework agreement adopted with the DPRK last year the United States promised it would never do any hostile acts against the DPRK but improve relations with the DPRK. It also declared it would suspend Team

Spirit nuclear war exercises. On Oct. 8, the United States announced that it would not hold the Team Spirit exercises this year.

But the United States, breaking its promise, has rendered the situation strained, staging the joint military exercises Foal Eagle 95, which are little different from Team Spirit, with South Korea. This is a reckless challenge to our people and the world people, who are hoping for genuine peace and security of the Korean peninsula and a blatant perfidy to the DPRK-U.S. framework agreement, the spokesman said, and continued:

The United States must know that it has no longer the face to talk about the resumption of inter-Korean dialogue.

It is not willing to come out to general-level talks for the establishment of a new peace mechanism, proposed by the DPRK, though it has already agreed to the working procedures concerning the talks. This fact makes it all the more apparent that the U.S. is seeking to step up preparations of a war of aggression, keeping the Armistice Agreement intact.

If the United States continues increasing tension, ignoring repeated expressions of our magnanimity and taking the attitude of rejecting negotiations, we will be left with no other choice but to take a step to eliminate the outworn armistice system, a main factor causing an instable situation in the Korean peninsula.

Kim Yong-sam 'Interview' With Daily Viewed
SK1710153495 Pyongyang KCNA in English
1529 GMT 17 Oct 95

["Imprudent Remark" — KCNA headline]

[FBIS Transcribed Text] Pyongyang, October 17 (KCNA) — The traitor Kim Yong-sam made a foolish remark in an "interview" with NIHON KEIZAI SHIMBUN of Japan on October 9.

He said Japan's effort for improved ties with the DPRK through rice provision and negotiations for diplomatic relations makes the impression that Japan is hindering reunification of the Korean peninsula. He added that Japan had better leave the inter-Korean affairs to the North and South of Korea because she is responsible for the division of this peninsula.

He made the remark as he feared that improvement of relations between the DPRK and the United States and between the DPRK and Japan should put an end to the lifeline of South Korea, which is dependent on the United States and Japan.

Rice provision is a humanitarian issue. Normalisation of relations between the DPRK and Japan belongs to the sovereignty of the two countries.

The Kim Yong-sam group is not supposed to poke its nose into them.

In the past, Kim Yong-sam called for an "international cooperation system" against fellow Koreans in the DPRK over the fiction of "nuclear issue" and conducted an anti-DPRK smear campaign over rice provision, a humanitarian issue, by bribing SANKEI SHIMBUN of Japan. He is now trying to abuse NIHON KEIZAI SHIMBUN.

How can the negotiations for diplomatic relations between the DPRK and Japan be an affair that should be settled between the North and the South of Korea? Kim Yong-sam does not know what the issue is like.

The Kim Yong-sam group, which has driven the North-South relations to the worst phase, is not entitled to talk about "improvement of inter-Korean relations." It is a group of separatists and traitors.

It is foolish of Kim Yong-sam to try to manipulate NIHON KEIZAI SHIMBUN to meddle in the relations between the DPRK and Japan.

No matter what a desperate effort he may make in a bid to seek a way out, he will get nothing from it.

More on Interview

SK1810103495 Pyongyang Korean Central
Broadcasting Network in Korean
1223 GMT 17 Oct 95

[Commentary by Yun Pyong-son: "The Mean Imputation of Responsibility"]

[FBIS Translated Text] According to reports, traitor Kim Yong-sam viciously slandered us in an interview with THE NEW YORK TIMES on 15 October. He talked about some promises and said that he felt betrayed by and disappointed at someone. Then, he raved that the North should release the Usong boat and the crewmen for the improvement of North-South relations, and even picked on us raising the possibility of a military provocation by the North. This is a challenge and a provocation against us.

Kim Yong-sam raved about being betrayed and talked as if we broke a promise, but we have nothing to promise to Kim Yong-sam, who has no faithfulness or morality, and did not make any promise. What on earth is the promise he is talking about? The rascal talked about some promise only to slander us. It is traitor Kim Yong-sam himself who did not keep a promise.

During the presidential election campaigning, Kim Yong-sam made many promises to the South Korean people, saying that he would revise evil laws, reduce the Agency for National Security Planning, guarantee improved human rights, and disclose the truth of the Kwangju incident and punish the culprits. Three years have passed since the rascal assumed the presidency, but none of the promises have been fulfilled up to now. The rascal is being denounced as a liar, a professional hypocrite, and a traitor not only by the South Korean people but also by people all over the world. Such a person's raving about a promise we never heard of only exposes his deceptive color of a liar, making him a laughing stock to the people of the world.

It is shameless for traitor Kim Yong-sam to ask us to release the Usong boat crewmen. As everyone knows, the Usong boat was abducted by our People's Army Navy patrol boat because it illegally penetrated deep in to the territorial waters of the northern half of the Republic following the puppet clique's instruction aiming at aggravating North-South relations. The Usong crewmen admitted this and apologized for their mistake at a news conference held not long ago. Thus, the Usong boat crewmen are subject to legal proceedings under the laws of our Republic.

Traitor Kim Yong-sam is not entitled to talk about the release of the boat because he had the Usong boat illegally penetrate into the territory of the Republic. What he could do is to admit and apologize for having the Usong boat penetrate into our territory and for having aggravated North-South relations, straining the situation on the Korean peninsula.

Traitor Kim Yong-sam's remarks on the possibility of a military provocation by the North is a even more serious problem. His remarks completely reversed black and white. The possibility of a military provocation on the Korean peninsula is not in the North but in South Korea. Tens of thousands of U.S. imperialist aggression troops and nearly a million puppet Army are armed with nuclear weapons and the most advanced war equipment in South Korea. They are in a constant combat posture and are holding war exercises daily aiming at a northward aggression.

Even at this moment in South Korea, most of the U.S. Forces occupying South Korea and the puppet Army are mobilizing massive armed forces and frenziedly conducting Fowl Eagle '95, a carbon copy of the Team Spirit nuclear war exercise. This proves that a military threat lies in South Korea and a war risk originates from South Korea. Traitor Kim Yong-sam, who is joining hands with foreign forces to harm compatriots and drive dark clouds of war, is talking about military

provocations by the North. It is like the thief turning on the master with a club.

Traitor Kim Yong-sam tried to mislead the public opinion with such nonsense that no one would believe and aggravated North-South relations to the maximum. Now he is trying to conceal his antinational and antireunification crime by imputing the responsibility to others. However, that will not be possible in broad daylight. Traitor Kim Yong-sam pursues not reconciliation and cohesion with compatriots but confrontation and war. His absurd remarks cannot be tolerated but will be strongly rejected by the domestic and foreign public opinion.

Our nation cannot live without national reconciliation and cohesion. Our nation will not leave the Kim Yong-sam ring alone, which challenges the nation's aspiration.

Kim Yong-sam Assailed for Shielding Predecessors

*SK1810060295 Pyongyang KCNA in English
0450 GMT 18 Oct 95*

["Murderers Will Certainly Be Punished" — KCNA headline]

[FBIS Transcribed Text] Pyongyang, October 18 (KCNA) — The traitor No Tae-u, the dictator of the "Sixth Republic" who played a pivotal role in the Kwangju massacre, showed up at an official meeting in South Korea some time ago and spat out the venomous remarks that he could not squat, hanging his head. He even said that the "Kwangju incident is nothing compared with the Great Cultural Revolution in China in which thousands of people were killed and much blood was shed."

The shameless remarks of No Tae-u are not only an intolerable insult to the Kwangju martyrs who had risen up in a righteous struggle for the building of an independent and democratic society and for the reunification of the country but also an unpardonable crime of killing them twice.

No Tae-u poked his nose into the internal affairs of other country in an attempt to justify the bloodbath of fellow countrymen unprecedented in the history of the nation and bury it in oblivion. But, the truth behind the Kwangju massacre cannot be concealed.

The No Tae-u group ran tanks over Kwangju citizens who rose up in a resistance for democracy, unable to live under the tyranny of fascism any longer, suffocated them with venomous gases and stabbed and dismembered them to death. This human butchery was a massacre unprecedented in history in its cruelty and bestiality.

The utterance of No Tae-u, who had given a "feast on victory," that the massacre is "nothing" reminds us of the tragic story about Nero, a tyrant of ancient Rome who is said to have felt joy at the sight of people dying in the flame after setting fire in Rome.

Historically, there are many human butchers including Hitler and Mussolini. But history does not know such a human butcher as No Tae-u, who drove "commandoes" to the man-killing after administering hallucinogenic drugs to them and giving a codename "flowery vacation" to the massacre.

What angers the people more is the fact that such a human butcher made the venomous remarks that he could not squat, hanging his head. This is an open "declaration" of the fascist human-killer that he would "root out" democratic forces by putting fascist forces together again and a frontal challenge and provocation to the people who call for the probe into the truth behind the Kwangju incident and the punishment of those responsible for the massacre.

Today, South Korean people are resolutely fighting for the punishment of the human-killers, determined to settle accounts with the No Tae-u group for its crimes at any cost.

At this time, No Tae-u raised his head again, crying that he could not squat. This is a fascist farce and political cartoon which can be produced only by the politics of the "civilian"-veiled fascism.

Such a fascist human butcher as No Tae-u is now acting so arrogantly because he is zealously patronized and backed by the traitor Kim Yong-sam.

The fact that the Kim Yong-sam group postponed the prosecution of the Kwangju murderers under the pretext of "expiration of the period of arraignment" is also an intolerable mockery of and insult to the people.

Soon after May this year, the 15th anniversary of the Kwangju incident, the traitor Kim Yong-sam who refused to meet the demands of the people for the punishment of the Kwangju murderers under various pretexts is trying to hush it up under the pretext of "expiration of the period of arraignment."

There cannot be a period of arraignment for the Kwangju murderers, who ruthlessly killed thousands of patriotic-minded people in order to illegally usurp power.

This is proved by the fact that Nazis are still sentenced after being put before trial as soon as they are arrested.

Now, the Kim Yong-sam group is scheming to shelve the unanimous demands of the people and opposition parties that a "special law" must be enacted in order

not to apply prescription to the Kwangju murderers. By doing so, the group shows that they are a group of fascist man-killers who are the same with those responsible for the Kwangju massacre.

Truth is clear and the conclusion is one. Kim Yong-sam is a poisonous mushroom which sprang up from the root of the "Fifth and Sixth Republics." If the traitor Kim Yong-sam, who is in the same boat with Chon Tu-hwan and No Tae-u, is left intact, such a bloodbath as the Kwangju massacre may occur again any time.

History has already made judgement.

The South Korean people will certainly punish in the name of the nation the "civilian"-veiled fascist as well as the military fascist dictatorial forces, a cancer to independence, democracy and reunification.

South Denounced for 'U.S. Soldiers' Crimes'

*SK1810014195 Pyongyang Korean Central
Broadcasting Network in Korean
0854 GMT 17 Oct 95*

[NODONG SINMUN 17 October commentary: "Who Is Fueling U.S. Soldiers' Crimes?"]

[FBIS Translated Text] Every day innocent people are bloodied in South Korea and every day brings misfortune, pain, and disaster due to cruel and barbarous acts by the U.S. imperialist aggressors occupying South Korea.

South Korean residents, having chased after a private of the U.S. Army who committed outrages against them before fleeing to his unit in Tongduchon, Kyonggi Province, were heavily injured by a military dog let loose by a corporal of the U.S. military police, causing a tragedy.

In addition, a drunken sergeant of the U.S. 8th Army pounced upon a journalist from a newspaper and committed outrages on him in Yongsan District, Seoul.

Such barbarous acts as causing South Korean people to be covered with blood by letting loose a fierce military dog and committing outrages against innocent people can be committed only by U.S. aggressor rascals who have become accustomed to the idea of extreme hatred of mankind and who consider the slaughter of men to be entertainment.

We sternly denounce the U.S. imperialist aggressors' brutal act with surging national indignation.

The U.S. troops are acting like masters in South Korea, occupying it for a half century as a colony, and have trampled underfoot the South Korean people's national dignity and sovereignty.

The rascals, not regarding the South Korean people as human beings, have ridiculed them as field mice, and committed various crimes such as murder, robbery, rape, violence and plunder against them.

TONG-A ILBO, the South Korean paper, defined the U.S. soldiers' act of raping Korean women immediately after they occupied South Korea as an unprecedented heinous atrocity inflicted on a people with 5,000 years of culture for the first time in its history. With this incident as the beginning, many other crimes have been committed — such as the incident of a girl in Kunsan being shot, the incident of a woman in Pochon being painted, the incident of the hair of a woman in Tongduchon being cut, the incident of a peasant being murdered in Paju, and the recent incident of the woman Yun Kum-hui being slaughtered. Thus, the number of crimes by U.S. soldiers is innumerable.

Not satisfied with committing barbarous acts of shooting South Korean people to death, beating them to death, trampling them to death, and raping and massacring women, the beasts of the U.S. troops are now unleashing dogs to bite them. Serious incidents alone now number some 100,000.

The U.S. imperialist man-eaters are thoroughly filled with the idea of hatred toward mankind and of despising the people, and are accustomed to massacres and violence. Because of them, the South Korean people are bleeding and dying in unpredictable ways.

The point at issue is that the atrocities by the U.S. soldiers are committed more frequently than before under the traitor Kim Yong-sam's rule.

According to doctored data published by the puppet prosecution, the number of crimes committed by foreigners in 1994, the year after the traitor Kim Yong-sam came into power, nearly doubled the figure of 1990, most of the criminals being U.S. soldiers.

The Kim Yong-sam group is leaving the dignity and interests of the nation to the tender mercy of its U.S. masters, flattering and yielding to them and far, from lodging a protest with the aggressors against their murder and robbery of South Korean people, are defending their crimes.

A woman in Kangso District in Seoul exposed the fact that she lodged a complaint with police against U.S. soldiers' crime some time ago but the police protected the U.S. soldier-criminal and instead forced her, the victim, to write a statement of apology.

The Kim Yong-sam group has even undisguisedly directed the police not to inform the press of crimes committed by U.S. forces. Then, how can the U.S.

soldiers not become more brutal and how can the rascals' barbarous acts not be more cruel?

The Kim Yong-sam group will face a stern judgment by history for the pro-U.S. flunkeyism with which it is fueling rampant crime by U.S. soldiers, inflicting untold pain and suffering upon the South Korean people.

As long as such vicious nation-selling flunkeyist and filthy national traitors as the Kim Yong-sam group remain in power, the U.S. soldiers' barbarous act cannot be removed forever, nor can the people evade great disasters and misfortune.

It is extremely just that the South Korean people have risen in the just struggle by shouting that the anti-U.S. struggle for independence and the anti-dictatorship struggle for democracy are the only way to survive.

The South Korean people will, without fail, sweep away the Kim Yong-sam nation-selling flunkeyist group, the servant of the aggressor forces.

South Commits 'Grave Military Provocations'

*SK1810143595 Pyongyang Korean Central
Broadcasting Network in Korean
1200 GMT 18 Oct 95*

[FBIS Translated Text] According to military sources, the South Korean puppets committed grave military provocations in the DMZ on 17 October, coinciding with the criminal Fowl Eagle '95 joint war exercise for a northward aggression, which is straining the situation on the Korean peninsula.

At 0920 [0020 GMT] on 17 October, puppet army bandits, fully armed with machine guns and automatic rifles, swept into the DMZ southeast of the No. 0003 sign of the military demarcation line in the west front. They fired about 20 bullets in their war frenzy.

At 1102 and 1220 on the same day, puppet army murderers coiled in the military police posts in the DMZ southeast of the No. 0038 and No. 0055 signs of the military demarcation line in the west front, and took a surprise combat position. With the already deployed heavy weapons and automatic weapons, they took a firing position toward our civilian police members, who were carrying out normal security duties.

Hundreds of puppet army armed bandits arrived by military vehicles in the DMZ south of No. 0418, No. 0681, and No. 0738 signs of the military demarcation line in the central front. They ran amok in exercising an attack operation aiming at breaking the military demarcation line.

If the Kim Yong-sam ring, partnered with foreign forces, continues on the road of confrontation and war, the rascals will not remain safe.

Military Provocations in DMZ Denounced

*SK181005405 Pyongyang KCNA in English
0458 GMT 18 Oct 95*

[“Military Provocations in DMZ” — KCNA headline]

[FBIS Transcribed Text] Pyongyang, October 18 (KCNA) — The South Korean puppets deployed two 90-mm recoilless guns and 12.7-mm machine guns in the demilitarized zone (DMZ) in the central sector of the front on October 15 and a 90-mm recoilless gun at an MP post in the east sector of the front on October 14, according to military sources.

On the 14th, soldiers of the puppet army at an MP post near the Military Demarcation Line in the DMZ in the central sector of the front levelled 90-mm recoilless guns and 12.7-mm machine guns at posts of the North side and People’s Army soldiers on the opposite side.

On the 15th, hundreds of puppet army soldiers armed with machine guns and automatic rifles madly ran about in the DMZ in the west, central and east sectors of the front.

Vice Foreign Minister, Delegation Return

*SK1810030495 Pyongyang Korean Central
Broadcasting Network in Korean
0100 GMT 18 Oct 95*

[FBIS Translated Text] A delegation of the DPRK Foreign Ministry led by Vice Foreign Minister Choe U-chin returned home by airplane on 17 October from a visit to China.

Overseas Koreans Urge Release of Pak Yong-kil

*SK1810111795 Pyongyang KCNA in English
1026 GMT 18 Oct 95*

[FBIS Transcribed Text] Tokyo, October 16 [date as received] (KNS-KCNA) — Kim Il-sun, chairwoman of the Democratic Union of Korean Women in Japan, and Yi Song-u, chairman of the Union of Korean Literary Men and Artists in Japan, issued statements to the press on October 16 in denunciation of the criminal scheme of the South Korean authorities to suppress and punish Mrs. Pak Yong-kil of South Korea for the reason that she visited the North.

Kim Il-sun said that the South Korean rulers, who forcibly moved Pak Yong-kil suffering from a serious disease to the Seoul Detention House, are unprecedented fascists who do not know morality and ethics and a group of corrupt and immoral anti-reunification

elements who are not concerned about national reconciliation and the reunification of the country.

The Pyongyang visit of Pak Yong-kil is a righteous act and a patriotic act based on a noble sense of obligation to the father of the nation, Kim Il-sun said, adding:

The South Korean rulers must unconditionally and promptly release Pak Yong-kil and repeal the “National Security Law,” defining the fellow countrymen as the enemy, without delay.

Yi Song-u said that Pak Yong-kil’s visit to Pyongyang with the noble spirit of patriotism to keep to the national etiquette and ethics and contribute to national reunification, the cherished desire of the nation could not be incriminated under any circumstances.

He warned that the inhuman, anti-national and anti-reunification criminal act of the Kim Yong-sam group to hurt the “grandmother of reunification” would never be pardoned.

Vice Foreign Minister, Russian Envoy Mark Ties

*SK1810070795 Pyongyang KCNA in English
0504 GMT 18 Oct 95*

[FBIS Transcribed Text] Pyongyang, October 18 (KCNA) — Russian Ambassador to Korea Yuriy Fadeyev hosted a party on October 17 on the occasion of the 47th anniversary of the establishment of the diplomatic relations between Korea and Russia.

Present on invitation were Vice-Minister of Foreign Affairs Yi In-kyu and officials concerned.

Speeches were made at the party.

Official Addresses UN General Assembly

*SK1710121995 Pyongyang Korean Central
Broadcasting Network in Korean
0100 GMT 17 Oct 95*

[FBIS Translated Text] On 11 October, a speech was made by Choe Su-hon, vice foreign minister who is heading the DPRK delegation to the plenary meeting of the 50th U.N. General Assembly session, being held in New York.

In the speech, he pointed out the following:

Fifty years have passed since the end of World War II and the founding of the United Nations. For our people, the past 50 years was a course of arduous struggles in which they advanced by overcoming all kinds of challenges and difficulties, and a course of proud-results and victory in which independence was realized in accordance with the chuche banner.

Recently, in our country, all the people welcomed the 50th anniversary of the fatherland's liberation and magnificently celebrated the 50th anniversary of the founding of the Workers Party of Korea as the grand festival of the victors, cherishing great national dignity and pride.

The strengthening and development of our party and our Republic's grandeur and prosperity are brilliant fruitions of the great leader Comrade Kim Il-song and the respected and beloved Supreme Leader [yongdoja] Comrade Kim Chong-il's extraordinary ideology and wise leadership.

The respected and beloved leader Comrade Kim Il-song devoted his whole life to the fatherland's prosperity, the people's happiness, to world peace, and the common cause of humankind, thus gaining immortal achievements before the times and mankind. Our leader [suryong] is the savior of the Tangun nation and founder of the socialist Korea.

The fatherly leader's great revolutionary achievements will eternally remain along with his sacred esteemed name. The great leader Comrade Kim Il-song is eternally with us.

From the time when the respected and beloved leader Comrade Kim Il-song left us to the present, in which one year has passed, there was not even a trivial political gap and instability in our society, and the works in all sectors of politics, economy, military, and culture were carried out smoothly.

The reason why the socialism of our own style which embodied the *chuche* idea is advancing without the slightest wavering is that the respected and beloved General Kim Chong-il exists, who was always with the great leader Comrade Kim Il-song on the road for the people and energetically led the overall work of our party, state, military, and diplomacy from 30 years ago.

The respected and beloved General Kim Chong-il who has boundless loyalty, filial piety, and a lofty sense of moral obligation toward the fatherly leader, is the supreme leader [yongdoja] of our party and state, unfolding the love and faith toward the people and politics of benevolence, and the supreme commander of the revolutionary Armed Forces.

Upholding Comrade Kim Chong-il, the great leader [yongdoja] of our party and people, at the head, is our people's greatest good fortune and special luck of having the leader [suryong].

Today, our people absolutely respect and trust the respected and beloved General Kim Chong-il who is brilliantly succeeding and completing the *chuche*

revolutionary cause which was pioneered by the fatherly leader, and are devoting all of their fate to the general and vigorously advancing according to his leadership.

The relics of the Cold War which were born during the forties have continued to exist up until the nineties. This is very abnormal and can be justified by nothing.

Based on the love for the nation and the spirit of national independence, we will exert all efforts to found a reunified state in which the whole nation is united, independent, peaceful, and neutral by upholding the respected and beloved leader Comrade Kim Il-song's 10-point program of great national unity for the fatherland's reunification; the three principles of independence, peace, and reunification; and the reunification method by the confederal system.

There is no change in our position regarding North-South dialogue. If a good atmosphere is provided for North-South dialogue, we are prepared to resume dialogue at any time.

However, the hard-won opportunity for North-South dialogue was broken by the South Korean authorities, failing to create an atmosphere for dialogue. Heads of state of many countries in the world, even those who do not have diplomatic relations with us, paid condolences to our fatherly leader's death, but the incumbent South Korean authorities placed the entire South Korea under emergency martial law and leveled a gun at our Republic, instead of sending condolences over the misfortune of the compatriots. All Koreans in the North, South, and overseas do not permit us to sit face to face with those who do not apologize for committing the unethical crime of atrociously suppressing the South Korean people who mourned the death of the nation's father. If the South Korean authorities are truly committed to dialogue, they should first apologize for the crime they committed in front of the nation.

There is no basic democracy and freedom in South Korea due to the National Security Law. Pro-reunification and patriotic figures who visited the North, as well as numerous people, youth, and students, who advocate democratization in the South Korean society, are being suppressed and sentenced by the medieval law. Various channels for North-South dialogue, contacts, and exchanges are blocked and frozen. In every way, the National Security Law no longer has any pretext to exist. It is an anachronistic evil law. In order for the North and South to continue dialogue, contacts, and free exchanges, all judicial and physical obstacles, including the National Security Law and the concrete walls built along the waistline of the Korean peninsula, should be eliminated as soon as possible.

In order to guarantee peace and security and push forward reunification on the Korean peninsula, it is urgent to establish a new peace-guaranteeing system. As we have clarified on various occasions, our position is that the old Korean Armistice Agreement signed between us and the United States, which has major responsibility for guaranteeing peace on the Korean peninsula, should be replaced with a new peace-guaranteeing system. As to a peace-guaranteeing system between the North and South, the document was already prepared in December 1991 when the North and South signed an agreement on reconciliation, nonaggression, and cooperation and exchanges. The North and South only have to put into action the peace-guaranteeing mechanism that confirms nonaggression.

The remaining issue is for us and the United States, which has the actual prerogative of the supreme military command in South Korea, to establish a new peace-guaranteeing system. This cannot be delayed any longer, considering the world trend that is shifting from confrontation to peace and detente, and considering the fact that the DPRK-U.S. agreed framework is being implemented. The United States should fulfill its responsibility and role in replacing the armistice system, a typical relic of the Cold War on the Korean peninsula, with a peace-guaranteeing system.

When a legal and institutional mechanism is provided for guaranteeing peace between us and the United States, the situation on the Korean peninsula will be significantly alleviated and the agreement between the North and South will be smoothly implemented. Furthermore, it will help stabilize the situation in Northeast Asia and the Pacific region.

The DPRK and the United States can resolve all the issues of the Korean peninsula if they trust each other and exert joint efforts. This is evidenced by the resolution of our so-called nuclear issue, which the international community was greatly concerned. The DPRK and the United States adopted an agreed framework in Geneva in October 1994. Since then, implemental measures have been taken. As we promised, we have frozen the graphite-moderated reactor and related facilities, and in exchange for this, the United States has taken a series of steps, including the provision of light-water reactor power plants, which it promised.

We have practically fulfilled all our obligations pertinent to the DPRK-U.S. agreed framework. We did more than the obligations stipulated in the safeguard agreement signed by the member states of the Nuclear Non-proliferation Treaty with the International Atomic Energy Agency. All complicated problems can be solved satisfactorily if every country sincerely implements in-

ternational treaties like us. The question is the United States' future attitude. We are paying close attention to the United States' attitude.

If the United States shows a sincere attitude as it did during the negotiations with us on the nuclear issue, the issue concerning the establishment of a peace guaranteeing system on the Korean peninsula could be resolved without difficulty. The ongoing armistice situation of Korea prevents our Republic and the United Nations from freeing themselves from the state of hostilities.

The United Nations should have due interest in the establishment of a new peace guaranteeing system on the Korean peninsula and should give an active impetus to its realization. To do so will be natural for the United Nations because it means liquidating its disgraceful relations with our Republic, which has become a dignified member of the United Nations, and implementing the resolution 3390-B of the 30th U.N. General Assembly session on dissolving the UN Forces Command and replacing the Armistice Agreement with a peace treaty. The United Nations must boldly remove the old legacy of the Cold-War era and make every possible effort to establish a new peace guaranteeing system on the Korean peninsula.

I take this opportunity to express deep gratitude to the state leaders, governments, and peoples of many countries that extended support and firm solidarity to our people's just cause for peace on the Korean peninsula and peaceful reunification of the country.

On the occasion of the 50th anniversary of its foundation, the United Nations is faced with the heavy task of carrying out more active and more effective activities to consolidate world peace and security, to accelerate the social and economic development of the world, and to achieve the co-prosperity of mankind. In accordance with its charter and purpose, the United Nations should make practical contributions to protecting national independence and sovereignty of all countries and nations and to building a new free and peaceful world free from any sort of subjugation and subordination.

In order for the United Nations to discharge its mission and fully play its role, it is the most important for the United Nations to warrant the principles of international justice and fairness in its activities. International justice and fairness is the life of UN activities. However, conservative powers exercise privileges and tyrannize over the world, running counter to the UN Charter, while small countries, an absolute majority, are not guaranteed their due positions. Even the intolerable situation prevails that developing countries' opinions are neglected and their interests are infringed upon.

The United Nations must not take actions running counter to the principles of international justice and fairness and, moreover, it must not conduct such an unreasonable act as applying double standards, and being abused by some countries for their political purposes. The United Nations must respect the sovereignty and interests of small countries and treat all countries on an equal footing. It must also serve as a genuine organization that makes a substantial contribution to the peace and security of the world and to the economic development of each country, as well as the promotion of the welfare of its people.

It is quite natural that many countries are today calling for reforming the structure of the United Nations and democratizing it. In order to democratize the United Nations, it is necessary to reform the U.N. Security Council first of all. What is essential in increasing the member nations of the UN Security Council is to give priority to developing countries, an absolute majority of the UN member nations, and to adopt a fair quota system, taking the number of countries in each region into consideration.

Although it is necessary to increase the member nations of the UN Security Council, such a country as Japan, which has not made a full apology and atonement for its past crimes, is not qualified for the permanent membership of the UN Security Council. It is also imperative to repeal the veto powers of the permanent members of the UN Security Council. Repealing their veto powers means removing main obstacles to the democratization of the United Nations and expelling the legacy of the Cold-War era, which encourages the hegemony and tyranny by a small number of powers.

In addition, it is necessary to lessen the power of the UN Security Council; to enhance the authority of the General Assembly; and to open to the public all affairs of the Security Council, including unofficial meetings.

If the UN Security Council, in the name of the United Nations, adopts a resolution that imposes sanctions or the use of armed force against a member nation, then that resolution must be approved by more than two thirds of the UN member nations at its General Assembly session.

To realize disarmament, nuclear disarmament in particular, is one of the important problems facing the United Nations. The nuclear powers must implement their obligation for a universal and complete abolition of nuclear weapons according to the trend of the times, creating a nuclear-free peace zone in conformity with the desire and aspirations of mankind to live in peace.

Today, the issue of development is being seriously raised by an absolute majority of developing nations. It is encouraging that the [word indistinct] agenda on development to enhance the function and role of the United Nations in the development sector is in its final stage in accordance with the initiation of developing nations.

If the agenda on development is to be of practical help for developing nations in the efforts to achieve development, then its basic goal must be to establish equal international economic relations and to abolish the gulf between the rich and poor in the North and South. In addition, all attempts to use the issue of development as a means of control or intervention in other countries, linking development to the so-called support of human rights, must not be allowed.

The United Nations must give priority to solving the problems of development, must establish equitable and equal international economic relations that are favorable to the efforts of developing countries for development, and must take concrete measures to promote South-South cooperation.

All countries and people that love justice and peace are looking ahead to the 21st century from the turbulent hill of our current times, and are vigorously carrying out the struggle to create an independent new world by overcoming all challenges and difficulties.

We actively support the cause of all the Asian people for justice, peace, security, and common prosperity as well as the building of an independent and prosperous new Asia. We support the Arab people's struggle for a fair and extensive resolution in the Middle East, including the Palestine issue, as well as the struggle of the African people to achieve the independent development of the continent by overcoming all social and economic difficulties. We actively support and encourage the Cuban people's cause for justice in order to firmly defend the country's sovereign rights and the gains of socialism, and we send solidarity to the Latin American people's struggle for the region's peace and prosperity. We support the struggle by nonaligned and other developing nations to achieve social and economic development and to establish a fair international political and economic order.

The DPRK Government and Korean people will continue to oppose all kinds of domination and subordination; will build a new society; and will send active support and solidarity to the people of all countries in order to build an independent world. The foreign policy of the DPRK Government is consistent. Independence, peace, and friendship, which were elucidated by the great leader Comrade Kim Il-song when he was

alive and which are being embodied by the respected and beloved supreme leader [yongdoja] Comrade Kim Chong-il, are the ideology of our republic's foreign policy and the principle for our foreign activities. Its justness and vitality have already been vigorously manifested through practice. Independence is our republic's life and the core of our policy at home and abroad. Our republic's independent policy not only guarantees the uniqueness and solidity of our own style of socialism, but also makes practical contributions to guaranteeing peace and security in Northeast Asia and the rest of the world.

By upholding the behests of the fatherly leader Comrade Kim Il-sung, and under the wise leadership of the respected and beloved supreme leader [yongdoja] Comrade Kim Chong-il, our republic's government will continue to firmly maintain independence as we did in the past, will unite and further cement the bonds of friendship and cooperation with the peoples of all countries who respect us, and will faithfully fulfill our obligation to the common cause of mankind for world peace and security.

Article Observes World Food Day

*SK1810032395 Pyongyang KCNA in English
2156 GMT 16 Oct 95*

["World Food Day Observed" — KCNA headline]

[FBIS Transcribed Text] Pyongyang, October 16 (KCNA) — NODONG SINMUN today observes the World Food Day.

Referring to the activities of the Food and Agriculture Organization (FAO) of the United Nations since its foundation, the author of the article says:

Over the past 50 years since its foundation, the FAO has exerted much effort to get rid of poverty, starvation and malnutrition in the world and for the agricultural development of its member states.

In recent years alone, the organization offered food in aid to a number of regions and countries, including Africa, stricken with severe starvation and poverty and actively rendered various forms of cooperation to help develop agriculture and solve food problem in its member states. These have been conducive to settling food problem in some countries.

The DPRK will, in the future, too, positively strive to implement its mission with sincerity as a member state.

Hailing the 50th FAO anniversary, the Korean people wish bigger success to the organization in its future work.

Foreign Party Leaders Greet Kim Chong-il

*SK1810060495 Pyongyang KCNA in English
0434 GMT 18 Oct 95*

[FBIS Transcribed Text] Pyongyang, October 18 (KCNA) — The great leader Comrade Kim Chong-il received messages of greetings from foreign party leaders on the occasion of the 50th anniversary of the Workers' Party of Korea.

They came from Chea Sim, chairman of the Central Committee of the People's Party of Cambodia; Benazir Bhutto, chairperson of the Pakistan People's Party; Genadiy Zhyuganov, chairman of the Central Committee of the Communist Party of the Russian Federation; V.V. Zhirinovskiy, chairman of the Liberal Democratic Party of Russia; Lopo Fortunato Ferreira Do Nascimento, secretary general of the Popular Liberation Movement of Angola; President Angel Castro Lavarello and General Secretary Tani Baler Lopera of the National Executive Committee of the Left Revolutionary Union of Peru; Guzman Rivera Castaneda, general secretary of the Socialist Revolutionary Party of Peru; Andres Regiardo Sayan, national general secretary of the "Cambio 90" Movement of Peru; Renan Raffo Munoz, general secretary of the C.C. [Central Committee], the Peruvian Communist Party; and Angel Castro Lavarello, chairman of the Peruvian Front for National Liberation.

The messages warmly congratulated him on the 50th anniversary of the WPK and wished him good health and a long life.

They expressed the belief that the friendly relations between their parties and the WPK would further strengthen and develop.

He also received a message of greetings from the Central Committee of the Communist Party of Kazakhstan on this occasion.

Kim Chong-il Sends Gifts to Maternity Hospital

*SK1810060595 Pyongyang KCNA in English
0501 GMT 18 Oct 95*

[FBIS Transcribed Text] Pyongyang, October 18 (KCNA) — The great leader Comrade Kim Chong-il sent valuable tonics to the Pyongyang Maternity Hospital on October 4, 10 and 14.

Comrade Kim Chong-il has sent up-to-date medical equipment, various kinds of tonics and nutritious food-stuff to the Pyongyang maternity hospital on scores of times since it opened so that it may fully display its role as a modern and comprehensive centre of medical service for women.

Kim Chong-il Thanks Workers for Aid to KPA

*SK1810060695 Pyongyang KCNA in English
0437 GMT 18 Oct 95*

[FBIS Transcribed Text] Pyongyang, October 18 (KCNA) — The great leader Comrade Kim Chong-il sent thanks to the Kangwon provincial administrative and economic committee, the Korean scientific and educational film studio, the direct sales shop under the Ministry of Railways, women war veterans in Nampo, Chon Myong-suk, a worker of the Korean General Tobacco Company, the family of Kim Yong-hae, an engineer of the Korean computer centre, and many other units and officials for having distinguished themselves in assisting the People's Army.

Comrade Kim Chong-il also sent thanks to the workers of the Pyongyang Changgwang Garment Factory and Kyongamsan Export Clothing Factory for contributing to the improvement of the people's living standard through a vigorous drive for increased production and economy, and to painter Paek Ko-song, section chief Chang Tok-sam and plastic materials producer Kim Yong-hun of the Mansudae Art Studio for producing painting materials by themselves to contribute to creation and execution.

Yi Chong-ok Marks Kim Il-song's Speech

*SK1810091195 Pyongyang Korean Central
Broadcasting Network in Korean
0803 GMT 14 Oct 95*

["Commemorative report" by Yi Chong-ok, member of the Political Bureau of the Central Committee of the Workers Party of Korea and vice president, at a meeting held at the square of the Arch of Triumph in Pyongyang on 14 October to mark the 50th anniversary of President Kim Il-song's speech on his return to the homeland in 1945 — live]

[FBIS Translated Text] Comrades, we celebrated with pleasure the 50th anniversary of the founding of the glorious Workers Party of Korea [WPK] as the grand festival of victors by holding the great leader [yongdoja] Comrade Kim Chong-il in high esteem. Cherishing this pleasure, under the exciting circumstances in which all the people are accelerating the socialist general march with the new spirit of struggle and confidence, today, we significantly mark the 50th anniversary of the great leader [suryong] Comrade Kim Il-song's historic speech on his triumphant return to the fatherland.

On 14 October 1945, the great leader Comrade Kim Il-song participated in a Pyongyang mass meeting held to welcome him, amid the enthusiastic cheers of hundreds of thousands of people and made a historic speech on his

triumphant return, which will shine forever in the history of our people's struggle to build a new fatherland. [applause]

Marking this significant day, with ardent yearning and deep admiration for the great leader Comrade Kim Il-song — the benefactor of our people for the nation's revival and the founder of socialist Korea — our people recall with deep emotion the immortal achievements made by the leader in founding the nation. We are filled with firm determination to tenaciously fight to the end on the single path pioneered by the fatherly leader to build the glorious chuche fatherland.

The history of our people's struggle for liberation, prosperity and development of the fatherland is linked as one with the glorious history of the great leader Comrade Kim Il-song's revolutionary activities. In this history, the leader's speech on his triumphant return to the fatherland is of great significance.

The great leader Comrade Kim Il-song who achieved the historic victory of anti-Japanese armed struggles and triumphantly returned to the homeland, energetically pushed ahead with the rigorous work to lay the foundation for building a new country, not relieving his pent-up fatigue. He declared to the world the foundation of the WPK, the militant staff of the Korean revolution, as the first fruition of his efforts and then shared the first greetings of his triumphant return with all the Korean people.

The Pyongyang mass meeting to welcome the great leader's triumphant return was a great national festive event unprecedented in our nation's long history. [applause]

While welcoming the great leader [suryong] whom we yearned for even in our dreams, "Long live General Kim Il-song!" was highly resounded at the Arch of Triumph. This enthusiastic cheer was the summation of warm thanks to the whole nation by the great leader Comrade Kim Il-song who found the lost fatherland and opened the broad road of creating a new life, and a pledge of blazing loyalty by our people who is eternally highly upholding and following the leader. [applause]

On this day, overflowing with passion and delight, the great leader Comrade Kim Il-song warmly returned the masses' cheers which were surging like waves, and gave a historic speech, "Let's Exert All Strength in Building a New Democratic Korea," thus, brightly elucidated a brilliant milestone in building a new Korea. [applause]

In his speech, the great leader Comrade Kim Il-song, first of all, said that the wicked Japanese imperialists who suppressed and exploited our nation in the past was destroyed, and the day of liberation which our

nation so anxiously yearned for finally arrived. He recollected with deep emotion how the true patriots of Korea directly held arms in their hands and heroically carried out the arduous armed struggle opposing the Japanese imperialists for a long time for the fatherland's liberation and the people's freedom and happiness.

The great leader Comrade Kim Il-song said that from now on our nation must accelerate the founding work in establishing our country and achieving complete national independence. He taught that if this is to be fulfilled, the issue of sovereignty must be resolved before everything else.

The great leader said that the regime which must be established by the new Korea must thoroughly advocate the interest of the popular masses, and be a true people's regime that firmly guarantees the prosperity, power, and development of the country and nation. He clearly elucidated that this kind of a regime is truly the Democratic People's Republic.

The great leader deeply analyzed the concrete reality of our country after the liberation, and clearly elucidated all tasks that arise in establishing a people's regime and realizing the country's democracy. He warmly appealed for exerting all strength in building an independent state through the firm unity of the whole nation.

The great leader Comrade Kim Il-song has taught: Time has come for our Korean nation to unite strength to build a new democratic Korea.

People from all walks of life must all manifest patriotic enthusiasm to start the work for building a new fatherland.

People who have strength must actively contribute to the work of founding the country with strength; people who have knowledge with knowledge; and people who have money with money. Truly, all the people who love the country, nation, and democracy must firmly unite to build a democratic independent state.

The great leader's [suryong] appeal for all the people who love the country, nation, and democracy to actively contribute to the work of founding the country by firmly uniting as one, was a programmatic guideline and a source of infinite strength to firmly unite the broad popular masses from all walks of life around the liberated fatherland under the banner of founding the country so that the enemies' national splittist maneuver can be thoroughly smashed and successfully build a powerful and strong independent state according to the invincible united strength of the patriotic democratic forces. [applause]

All the welcoming masses and our people who received the great leader's speech, in which every word is overflowing with enthusiasm; gives strength and courage thousandfold; and touches a string in the hearts of many people, cried silently out of the endless happiness and emotion of being the Korean people who uphold the great Comrade Kim Il-song as the leader [suryong] who is a peerless great man bestowed by heaven, a legendary hero, and a commander for all ages.

Truly, the historic speech on the triumphant return by the great leader which echoed at the foot of Moran hill-top and resounded throughout the whole fatherland, was a solemn declaration of independence of our people who cut off the iron chains of heinous colony of Japanese imperialism and gained freedom and liberation, and a great program of chuche for building the country, which elucidated the course of building on the liberated fatherland a prosperous and powerful people's country where all the people become the master. [applause]

Over the past half a century, from the time when the great leader Comrade Kim Il-song made the historic speech on the triumphant return, up until today, under the wise leadership of the party and the leader, our people decorated the worthwhile struggle in the creative construction to build and elucidate my fatherland, the chuche country, with endless victories and feats.

The past 60 [as heard] years of the struggle to build a new fatherland, a new society, with the great leader Comrade Kim Il-song and the great leader [yongdoja] Comrade Kim Chong-il at the head, are the 50 years of glory in which the great heyday of national prosperity and development unprecedented in the history of our fatherland has been unfolded. [applause]

In retrospect, there were multifarious difficulties and trials in the future struggle road of our people to build a new fatherland, a new society.

However, thanks to the brilliant blueprint for building a new fatherland illuminated by the great leader Comrade Kim Il-song and the wise leadership of the party and the leader [suryong], it was possible for our people to establish a genuine people's government and to bravely fight their way through the road of the first voyage for building the country in a timely manner and without the slightest degree of trepidation even under the situation in which the country was divided into two after national liberation and in which they had to confront with the U.S. imperialists, the ringleader of the world's imperialists; to achieve the brilliant victory in the three-year fatherland liberation war; and to successfully perform with empty hands the postwar rehabilitation construction and socialist construction on the land where nothing was left.

The great leader Comrade Kim Il-song, who had achieved the cause of national liberation (under) the revolutionary banner of the immortal *chuche* idea, led the cause of building a rich and powerful new fatherland to a constant victory by embodying the *chuche* idea. [applause]

From the first time of building a new fatherland, the great leader Comrade Kim Il-song wisely led our people to build a rich, prosperous, democratic, and sovereign country with their own strength by consistently strengthening the main force of the revolution and enhancing its role in conformity with the demands of the *chuche* idea.

The great leader constantly strengthened our party, the militant general staff and the leading organ of the Korean revolution; firmly deepened the single-hearted unity of the party and the revolutionary ranks by rallying all the people around the party; shared joy and sorrow with the people by mingling with them throughout his whole life; and actively whipped up the masses' revolutionary zeal, creativity, and initiative. Thus, he successfully resolved all difficult and complicated problems arising in building a new democratic fatherland and in socialist construction.

The great leader Comrade Kim Il-song firmly adhered to a *chuche*-oriented position in building a rich and independent state and wisely led the people so as to independently and creatively resolve all problems arising in the revolution and construction.

The great leader presented independence, self-reliance, and self-defense as the basic principle of building a genuine state for the people and of its activities, and saw to it that our people's government resolved all problems arising in the revolution and construction in its own style according to its ideology and faith, in a responsible manner, under the principle of self-reliance, and in conformity with our country's specific realities and with the interests of our revolution.

The great leader made the anti-imperialist and anti-feudal democratic revolution, the socialist revolution, and the socialist construction carried out independently and creatively in conformity with our people's aspiration and demand. Under such an environment and situation, the great leader also worked to adhere to the principle and consistency in the lines and policies all the more.

Especially, the great leader Comrade Kim Il-song strengthened the people's regime and endlessly enhanced its role and function; presented the general line of socialist and communist construction on vigorously carrying out the three revolutions — ideological, technical and cultural revolutions; and wisely led the

struggle to carry out the general line. Thereby, he triumphantly pioneered the road of socialism, which no one had traversed in history, without any vacillation.

The cause of building the country of *chuche* started by the great leader Comrade Kim Il-song has been more persistently enhanced to a new higher stage of modelling the entire society on the *chuche* idea under the leadership of the great leader [yongdoja] Comrade Kim Chong-il. [applause]

The great leader [yongdoja] Comrade Kim Chong-il, who has considered the inheritance and consummation of the great leader's [suryong] revolutionary cause as the great work of life, has deeply cherished a pledge made before the history on the top of Mt. Yongnam in his earlier days and assisted the leader's [suryong] cause at the shortest distance. Thereby, he has wisely led the entire party, all the people, and the entire Army and unfolded a new phase of construction in building the prosperous and powerful socialist fatherland.

Leading the cause of our party from 30 years ago, the great leader [yongdoja] Comrade Kim Chong-il has educated and transformed the broad masses of all levels around the party, thus firmly uniting them around the party, and has made sure that the three revolutions — ideological, technical and cultural revolutions — were constantly deepened and developed. He has put forward the slogan "Let us live our own way!" and has staunchly led the revolution and construction in the way the great leader Comrade Kim Il-song pioneered and led them.

The respected and beloved Comrade Kim Chong-il has modernly rebuilt and enlarged the historic Moranbong Stadium where the Pyongyang mass rally was held to welcome the great General Kim Il-song, who achieved the historic victory of the anti-Japanese revolutionary struggle and triumphantly returned to the homeland, and changed the name of the stadium to the Kim Il-song Stadium to cherish the esteemed name of the leader [suryong]. Comrade Kim Chong-il has also brilliantly built the Arch of Triumph and the monuments of the leader's [suryong] speech on his triumph return on the historic revolutionary site where the leader [suryong] made a historic speech on his triumph return. These are the brilliant fruition of the endless loyalty and lofty moral obligation of the respected and beloved Comrade Kim Chong-il who worked to eternally uphold the great leader [suryong] as the sun of the nation and the father of the foundation of the country and to glorify the leader's revolutionary achievements generation after generation. [applause]

In the morning of the New Year's Day, after sending off the year 1994 amid tears, the great leader [yongdoja] Comrade Kim Chong-il sent a significant congratulatory

letter urging all the people to vigorously work as one mind and one will and with the attitude of being the great leader's [suryong] fighters and the great leader's [suryong] pupils in order to make our country, our fatherland, richer and stronger. This was an expression of the firm faith and will of the respected and beloved general to inspire the entire party, the entire Army, and all the people into the struggle for consummating the chuche-oriented cause of building the fatherland by firmly succeeding to the [word indistinct] of the revolution provided by the great leader [suryong]. [applause]

By upholding the great leader Comrade Kim Il-song, the great statesman and the nation's father, and the great leader [yongdoja] Comrade Kim Chong-il, the genius of creation and construction and the matchless great man, our country achieved the people's genuine cause of building the state in the shortest historic period of time, a cause which would take several centuries in other countries. Thus, our country has outstandingly built a powerful socialist country enjoying independence, self-reliance, and self-defending in which the immortal chuche idea has been extensively embodied.

At the same time, even amid the dark situation in which socialism collapsed in many countries all the people are firmly united as one mind and one will around the party and the leader [suryong] and are vigorously advancing along the single road of socialism.

At this significant meeting commemorating the 50th anniversary of the great leader's historic speech on his triumphant return to the fatherland, cherishing the infinite reverence and the burning loyalty of all the people across the country, I extend the loftiest respects and infinite and boundless glory to Comrade Kim Il-song, the great leader of our party and people, who brilliantly elucidated the road ahead for our revolution with his outstanding ideology and wise leadership, who unfolded a new history of creation on the land of our fatherland, and who has thus bestowed today's infinite happiness upon our people.

At the same time, I extend the utmost glory and the warmest gratitude to Comrade Kim Chong-il, the great leader [yongdoja] of our party and people, who is infinitely adding luster to our country of chuche, our fatherland of chuche, with extraordinary wisdom and excellent leadership by upholding the leader's [suryong] noble cause and who is brilliantly bringing our people's independent and creative life into full bloom. [applause]

Comrades: Today our people are faced with the honorable but heavy task of consummating to the end the chuche revolutionary cause that the great leader Comrade Kim Il-song pioneered and led to a brilliant victory.

In his historical work, "The Workers Party of Korea Is the Great Leader Comrade Kim Il-song's Party," published on the occasion of the 50th anniversary of the founding of the party the great leader [yongdoja] Comrade Kim Chong-il has brilliantly elucidated the single road of the struggle of our party and people to inherit and consummate, generation after generation, the sacred cause, the chuche revolutionary cause, that the leader [suryong] pioneered and led. [applause]

The great leader [yongdoja] Comrade Kim Chong-il has indicated: We should adhere to and further add luster to the popular mass-centered socialism of our own style provided by the respected and beloved Comrade Kim Il-song and should consummate the cause of socialism of chuche to the end.

The great leader Comrade Kim Chong-il's current work is an immortal library which has dignifiedly summed up the glorious history that our party has traversed under the great leader's [suryong] leadership and the brilliant achievements that it has achieved on this road. It is the great program of party building in our times which makes it possible to build the working class' party into a mighty and powerful party which leads the popular masses' cause of independence to the single road of victory. It is also a programmatic guideline, and a mighty ideological and theoretical weapon, which has elucidated the clear road of strengthening and developing our party into the great leader Comrade Kim Il-song's party forever. [applause]

The struggle that our people are waging under the leadership of the great general today is the sacred struggle not only to add luster to the chuche revolutionary cause generation after generation, which the great leader [suryong] pioneered and has led under the leadership of the Workers Party of Korea, but also to achieve the eternal grandeur and prosperity of our country of chuche, our fatherland of chuche.

We should traverse to the end under any difficult circumstances on the single road of the revolution that the great leader [suryong] pioneered and added luster to for his whole life, and we should also perform our mission on this road for the times and history on this road. [applause]

All the people should resolutely safeguard and defend and thoroughly implement the chuche idea, the great leader Comrade Kim Il-song's revolutionary ideology, which is the only guiding ideology of our party and the banner of the victory of our party and the revolution.

We should more thoroughly arm ourselves with the great leader Comrade Kim Il-song's revolutionary ideology, should carry out all work in the revolution and con-

struction as planned and intended by the leader [suryong] and in accordance with the practical model shown by the leader [suryong], and should carry out all things according to the great leader Comrade Kim Il-song's style. Thus, we should further strengthen the political, economic, and military might of the country, should develop the socialist national culture, and should extensively exalt the superiority of the popular mass-centered socialism of our own style.

Upholding the great leader [yongdoja] Comrade Kim Chong-il and firmly uniting around the respected and beloved general is a most important work to achieve the final victory of the chuche revolutionary cause.

We should cherish deep in our hearts the great leader's [suryong] teachings; should firmly unite, unite, and again unite around the great leader [yongdoja] Comrade Kim Chong-il; should more firmly build our revolutionary ranks into a crystal of the single heart of loyalty and filial piety; and should uphold with loyalty the respected and beloved general's ideology and leadership. [applause]

The great leader Comrade Kim Chong-il is unfolding the great plan to make our country, our fatherland, richer and mightier, which is shining with the revered name of the fatherly leader [suryong], and is devoting all his efforts and energies to realizing the plan.

We should uphold in our hearts the great leader Comrade Kim Chong-il's ideology and intention in all sectors and fields of the revolution and construction, should unconditionally and thoroughly implement them, and should further strengthen the discipline and order of breathing and moving as one under the respected and beloved leader's leadership.

All the people and officers and men of the People's Army should entrust their destinies to the great leader Comrade Kim Chong-il and should resolutely safeguard and defend the great general by becoming rifles and bombs. Thus, they should become genuine loyalists and dutiful children who willingly devote their youth and lives to the general. [applause]

All the working people, including the heroic working class, should keep in mind the behest and teachings left by the great leader [suryong], should display the revolutionary spirit of self-reliance and fortitude by continuously adhering the upsurged mettle, and should accelerate the general march of socialism. Thus, they should effect a constant innovation in production and construction and should thoroughly implement the party's revolutionary economic strategy.

Upholding the party's slogan, "Ideology, Technology, and Culture — All in Accordance With the Demands of

Chuche," we should carry out all works in the revolution and construction in accordance with the demands of the chuche idea and, thus, should brilliantly implement our party's general line of socialist construction.

All the people should always assume a mobilized and tense posture to cope with the prevailing situation, establish a social ethos of attaching importance to military, and exalt the laudable traditional custom of unity between the army and the people.

Reunifying the country is the nation's supreme task which should not be delayed even for a moment.

We will vigorously struggle to achieve the formula of reunifying the country through a confederal system — which embodies the three principles of independence, peaceful reunification, and great national unity — with the united strength of all the people under the leadership of the respected and beloved General Kim Chong-il, the lodestar of national reunification, while upholding the fatherly leader's [suryong] lifetime teaching with regard to making the contribution by all Korean compatriots in the North and the South, and overseas to the cause of national reunification in accordance with the specific circumstances and conditions of their own strength, knowledge, and property. Thus, we will achieve the country's reunification, the long-cherished desire of all the nation, without fail.

Let all of us fly the red flag of the revolution which is associated with the great leader's whole life highly and more vigorously struggle for national reunification, for the consummation of the chuche revolutionary cause, for the eternal prosperity of the country, and for its independence under the great leader Comrade Kim Chong-il's leadership. [applause]

Long live the revolutionary ideology of Comrade Kim Il-song, the great leader of our party and people! [applause and shouts]

Long live Comrade Kim Chong-il, the great leader [yongdoja] of our party and people! [applause and shouts]

Kim Il-song's 'With the Century' Published

SK1710152895 *Pyongyang KCNA in English*
1524 GMT 17 Oct 95

[FBIS Transcribed Text] Pyongyang, October 17 (KCNA) — The Foreign Language Press Group recently published Vol. 6 of Part 1 the anti-Japanese revolution of the great leader President Kim Il-song's reminiscences "With the Century" in Russian, English, Chinese, Japanese, French, Spanish and German.

The sixth volume is a valuable posthumous work of President Kim Il-song.

The book, consisting of twenty sections in three chapters, covers the historical period from March to November 1937, when a new change was taking place in the national liberation struggle and the communist movement of Korea.

Seen in the first several pages are an autograph of President Kim Il-song on the battle waged by the Korean People's Revolutionary Army (KPRA) during its advance into the homeland, and a number of pictures and data. Among the pictures are a photo the president had taken with the soldiers of the guard company of the headquarters, who shared sweetness and bitterness with him during the arduous anti-Japanese war, and pictures on the battles conducted by a large unit of the KPRA during its operation for thrust in the homeland.

In the book President Kim Il-song emotionally looks back on the days when he conducted an arduous march toward Fusong before the operation for thrust in the homeland by a large unit of the KPRA and activities to rally the patriotic forces of broad segments in the anti-Japanese national united front under the banner of the Association for the Restoration of the Fatherland.

According to the book, the president advanced into the homeland, which was so ardently longed for, by leading the KPRA unit and victoriously conducted the battle in Pochonbo.

After the Sino-Japanese war broke out, he energetically guided the struggle to make preparations for an all-people resistance.

Seen in the book are moral stories telling that it was very essential for the revolutionaries during the anti-Japanese revolutionary struggle to have iron will and unshakable faith in any circumstance, and stories about genuine and beautiful, revolutionary sense of obligation and comradeship displayed by anti-Japanese guerrillas in the period.

Particularly emotional of them are stories about noblest communist virtues, warm humanity and comradeship of President Kim Il-song, who showed deep trust and love for the guerrillas and people and displayed the highest revolutionary sense of obligation for the fallen comrades-in-arms.

Foreign Party Leaders Praise WPK

SK1710151195 *Pyongyang KCNA in English*
1506 GMT 17 Oct 95

[FBIS Transcribed Text] Pyongyang, October 17 (KCNA) — Leaders of foreign political parties voiced

support to the struggle of the Workers' Party of Korea [WPK], when they met with the DPRK ambassador to India who attended the 16th Congress of the Communist Party of India.

Indrajit Gupta, general secretary of the National Council of the Communist Party of India, said on the occasion that the achievements made by the Workers' Party of Korea founded by the great leader Comrade Kim Il-song and led by the great leader Comrade Kim Chong-il strike all the members of the Communist Party and people of India with admiration and enjoy their support.

The WPK is an inspiring banner to the revolutionary peoples of the world, he said, adding:

I am firmly convinced that the WPK under the wise guidance of the great leader Comrade Kim Chong-il will frustrate the U.S. imperialists' moves to isolate and stifle the DPRK and continue to resolutely defend the banner of socialism.

Chitta Bash, general secretary of the Central Committee [C.C.] of the All-India Forward Bloc, noted that the great leader Comrade Kim Chong-il has registered great victories, decisively frustrating repeated moves of the imperialist allied forces.

He hoped that the Workers' Party and people of Korea would make greater success in all domains under his wise leadership.

Our All-India Forward Bloc is striving to deeply study the chuche idea and the experience of the WPK and apply them to India, he said, and stressed:

Our bloc will invariably adhere to the revolutionary principles, closely cooperate with the WPK and extend full support to the struggle of the Korean people.

Mujahdul Islam Selim, general secretary of the Communist Party of Bangladesh, had this to say:

The singlehearted unity, fighting efficiency, faith in certain victory and indomitable fighting spirit of the Workers' Party of Korea would have been unthinkable without the outstanding guidance of the great leader Comrade Kim Chong-il.

We will continuously learn from the chuche idea of the WPK and its valuable experience in the party building and extend unstinted support and encouragement to the WPK on the road to anti-imperialism and solidarity.

Raja Collure, general secretary of the C.C., the Sri Lanka Communist Party, said that the Sri Lankan people firmly believe that communism is sure to emerge victorious because the great leader Comrade Kim Chong-il is leading the cause of socialism to victory.

We will further develop the relations with the Workers' Party of Korea in the future, too, he declared.

'Monumental Structures' of WPK Era Described

*SK1710152695 Pyongyang KCNA in English
1517 GMT 17 Oct 95*

[FBIS Transcribed Text] Pyongyang, October 17 (KCNA) — The monument to the foundation of the Workers' Party of Korea [WPK] has been built in Pyongyang as another grand monumental edifice of the Workers' Party era. Monumental edifices are found in every part of the country.

From the beginning of the '90s, many projects have been completed in Pyongyang, among them Tongil Street covering 23.8 million square metres, the Monument to the Victory in the Fatherland Liberation War covering 150,000 square metres, the Three-Revolution Exhibition with a total floor space of 25,000 square metres and Pyongyang-Kaesong Expressway.

The great leader Comrade Kim Il-song said:

"Many monuments to the creative efforts of our people sprang up one after another in Pyongyang and in many other parts of the country to demonstrate the vitality of chuche Korea which is daily prospering in the era of the Workers' Party. They are inspiring our people with the pride and self-confidence of being independent people who are creating a new socialist life by their own efforts."

Respected Comrade Kim Chong-il, who has successfully implemented President Kim Il-song's grand plan of construction, advanced a policy of speed campaign for carrying out all work with a blitz in socialist construction and provided a definite guarantee for accelerating construction at a high speed in Korea.

In the '70s many monumental structures were built in Korea under his leadership including grand monuments in Wangjaesan, Samjiyon and other revolutionary sites, the Mansudae Art Theatre with a floor space of 60,000 square metres, the Pyongyang Indoor Stadium with a floor space of 66,000 square metres, the April 25 House of Culture with a floor space of 80,000 square metres, the International Friendship Exhibition with a floor space of 28,000 square metres and three stages of Pyongyang metro.

The long-distance belt conveyer (4.6 kilometres) of Ullyul Mine, the long-distance headings transport pipe (98 kilometres) of the Kim Chaek Iron and Steel Complex, Pyongyang-Wonsan Expressway, electrification of major trunk lines and many other industrial projects were completed in the decade.

Dwelling houses for 886,000 families were built in the 1971-1976 period.

In the '80s Comrade Kim Chong-il set such slogans as "Let us create the speed of the 80s in the spirit displayed during the great Chollima upswing" and directed vast projects in different parts of the country.

The West Sea [Yellow Sea] Barrage was built covering an eight-kilometre-long section in five years under his wise leadership. 4 billion dollars were invested in the construction of the barrage with a railway, roadway, a footpath, three watergates available for 50,000-ton vessel, a swing bridge and scores of flood gates.

Appearing in Pyongyang in the '80s were nearly 300 monumental edifices including the 170-metre-high Tower of the Chuche Idea covering 35 hectares, the Arch of Triumph 60 metres high and 50.1 metres wide, the Grand People's Study House with a collection of 30 million volumes and a floor space of nearly 100,000 square metres, the 150,000-seat May Day Stadium with a floor space of 207,000 square metres, the Pyongyang Koryo Hotel, a 45-storyed twin building with a floor space of 84,000 square metres, and gymnasiums with a total floor space of 267,000 square metres in Chongchun Street which are capable of ensuring 40 games of 20 events at a time, Kwangbok Street covering 18 million square metres, Munsu Street, over 100 traffic facilities and 5,000 economic facilities.

In the period Ore Dressing Plant No.3 of the Komdok Mining Complex, the second-stage expansion project of the Kim Chaek Iron and Steel Complex, the Sangwon Cement Complex, 252 kilometre-long Hyesan-Manpo Youth Railway and other vast projects were completed.

Publication of Encyclopedia Marks WPK Founding

*SK1810034195 Pyongyang KCNA in English
2205 GMT 16 Oct 95*

[FBIS Transcribed Text] Pyongyang, October 16 (KCNA) — "Grand Korean Encyclopedia" Vol. 1 was published on the occasion of the 50th anniversary of the foundation of the Workers' Party of Korea.

Compiled by the encyclopedia compilation team of the Science and Encyclopedia Press Group, the encyclopedia contains in a comprehensive way the undying exploits of the great leader President Kim Il-song and the great leader Comrade Kim Chong-il, achievements of the Korean people in the political, economic, cultural and all other domains of social life under the wise leadership of the Workers' Party of Korea. Also widely introduced in it are ideological and theoretical issues on the might and invincibility of Korean-style socialism centred on the popular masses and experience.

It deals with many materials on history, culture, nature, manners, geography, legends and personages of Korea and many countries and on latest [as received] scientific and technological achievements.

More than 1,500 scientists, technicians and experts took part in the compilation of the encyclopedia.

Included in it are manuscripts and visual materials from scientific, educational, cultural and public health and other organs and organisations in Korea, the General Association of Korean Residents in Japan (Chongnyon) and from many countries.

A total of 30 volumes of the encyclopedia will be published.

Military Attaches Visit Mt. Paektu

SK1810070395 Pyongyang KCNA in English
0455 GMT 18 Oct 95

[FBIS Transcribed Text] Pyongyang, October 18 (KCNA) — Military attaches of foreign embassies in Korea visited the revolutionary battle sites and historic sites in the area of Mt. Paektu and Yanggang Province from October 13 to 16.

The military attaches laid floral baskets and bunches of flowers before the statues of the great leader President Kim Il-song on Lake Samji, at the Pochonbo revolutionary battle site and the camping site on Chong Hill and paid homage to him.

They went to the old home in the secret camp of Mt. Paektu in which the great leader Comrade Kim Chong-il was born.

Cuban military attache Arnaldo Fernandez Rodriguez had this to say:

Comrade Kim Chong-il's family tightly took guns through generations. This reflects the military philosophy of his revolutionary family that guns never change any time and any place and only when they are held tightly can the revolutionary cause of chuche be successfully accomplished.

Vietnamese military attache Tran Thuc, who is also the doyen of the military attaches' corps, said that the Korean revolution would never recede from the road of chuche and would certainly win as long as it is guided by Comrade Kim Chong-il.

The military attaches climbed Mt. Paektu.

Noting that the mettle of the brilliant commander, the grandeur of the general, strikes its root in Mt. Paektu, the time-honored mountain of the revolution, they stressed in unison that Comrade Kim Chong-il is the greatest of generals, the most brilliant of commanders.

Iranian military attache Ali Asghar Ghasemi [name as received] said that General Kim Chong-il, who is the same with President Kim Il-song, an ever-victorious veteran general, is, indeed, a person of Mt. Paektu type.

General Kim Chong-il is a great man who is empowered with the spirit and mettle of Mt. Paektu and who has descended from heaven, he stressed.

Daily Views Party's 'Revolutionary Tradition'

SK1810071595 Pyongyang KCNA in English
0520 GMT 18 Oct 95

["NODONG SINMUN Calls for Cherishing WPK's Glorious Revolutionary Tradition" — KCNA headline]

[FBIS Transcribed Text] Pyongyang, October 18 (KCNA) — If the Workers' Party of Korea (WPK) is to further strengthen and develop to be the party of the great leader Comrade Kim Il-song and the revolutionary cause of chuche is to be accomplished, it is imperative to steadfastly defend and always cherish the revolutionary tradition established by him in all his life, says NODONG SINMUN in an editorial today.

The paper quotes the great leader Comrade Kim Chong-il as saying:

"Our party's glorious revolutionary tradition established by the great leader Comrade Kim Il-song is a precious wealth of our revolution and a solid foundation for the accomplishment of the revolutionary cause of chuche."

Our party's revolutionary tradition serves as wealth of eternal value and the everlasting lifeline which will as ever definitely guarantee a bright future of our party and the revolution, and is an invincible weapon of our party and people, the paper says, and continues:

With a great pride of having celebrated the 50th anniversary of our party as a grand festival of victors, we must steadfastly defend and always cherish the tradition, thus further strengthening and developing our party to be the party of Comrade Kim Il-song and accomplishing our socialism.

We must always feel greatly honored and happy for the revolution we made with him as our leader and the sun of chuche.

Our party members and other working people must inherit only the revolutionary tradition of chuche at times and must not allow any sign of alien trend against it.

The paper further says:

To remain faithful to the idea and leadership of the great leader Comrade Kim Chong-il is a definite guarantee

for firmly defending and always cherishing the glorious revolutionary tradition of our party.

Respected Comrade Kim Chong-il is the great leader who guides the struggle for the accomplishment of the chuche cause on the basis of the tradition.

As long as our party is guided by him, the purity and inexhaustible viability of its tradition will always be guaranteed.

With the whole party, the entire people and all the army rallied closely around him, our revolution will be continued successfully in any adversities.

'Some 200 Foreign Businessmen' Inspect Zone

*SK1810032995 Pyongyang KCNA in English
2159 GMT 16 Oct 95*

[FBIS Transcribed Text] Pyongyang, October 16 (KCNA) — Some 200 foreign businessmen inspected the Najin-Sonbong free economic and trade zone of the Democratic People's Republic of Korea.

Delegates of companies from eleven countries and regions including the United States, Britain, China, Japan, Taiwan, Australia and Peru to an international investment and trade consultative meeting on Tuman River area held in Yanji, Jilin Province, China, crossed into the Najin-Sonbong free economic and trade zone through the Wonjong Bridge and inspected different places in the area on October 15.

Visiting Najin port first, they expressed great satisfaction at the natural and topographical conditions and economic advantages of the port.

They also visited with keen interest the helicopter airfield, the Najin International Hotel, rented dwelling houses and the Najin International Communication Centre now under construction.

Commanding a bird's-eye view of the beautiful Hae-sanggum bathing beach and Pipa Islet, they were unanimous in saying that the construction of different types of resort facilities by the sea may make good profits.

After touring industrial facilities and an agricultural producer in Paekhak district, they expressed the willingness to establish single-handed businesses by investing a large amount of money.

The DPRK's Committee for the Promotion of External Economic Cooperation has accepted their requests after a careful consideration and decided to provide the first investors with preferential conditions.

Rice, Corn Harvests Completed Nationwide

*SK1810112095 Pyongyang Korean Central
Broadcasting Network in Korean
1200 GMT 15 Oct 95*

[FBIS Translated Text] All agricultural workers across the country significantly celebrated the 50th founding anniversary of the glorious Workers Party of Korea. With one will to uphold our country and fatherland with rice, they are scoring gains in the autumn harvest and threshing daily.

Reporter Pak Sang-kyu of the Central Broadcast interviewed Kim Chung-pae, deputy director of the Agricultural Committee; and Pang Chang-sik, guiding personnel of the committee.

[Begin recording] [Kim] All agricultural workers across the country are proud to have significantly celebrated the 50th founding anniversary of the party. They have risen to the autumn harvest in unison and are achieving outstanding results every day. According to compiled data, not only the corn harvest but also the rice harvest has been completed nationwide. Pyongyang, South Pyongan Province, North Pyongan Province, and all other provinces have finished harvesting. In particular, agricultural workers in South Pyongan Province made a proud achievement by completing the corn and rice harvests first with a high consciousness of being the master responsible for the country's granary. They scored gains since the beginning stage of the harvest and completed harvesting on the 50th founding anniversary of the party.

North Hwanghae Province and Nampo drew methodical work plans and are reasonably utilizing tractors and transportation means. They are accelerating their work by doing transportation and rice harvesting simultaneously.

[Pang] Along with the people across the country, all agricultural workers are proud to have unsparingly demonstrated the invincibility of our people's single-hearted unity around the great leader [yongdoja] Comrade Kim Chong-il on the occasion of the 50th founding anniversary of the party. In accordance with the upsurged revolutionary enthusiasm of the masses, we boldly set our goals high and are focusing on the transportation of rice ears and threshing. We will finish threshing by the end of November. We will fulfill the agricultural workers' duty to uphold our country and fatherland with rice. [end recording]

South Korea

CIA Suspected of Providing Auto Strategy

SK1710145595 Seoul KYONGHYANG SINMUN
in Korean 17 Oct 95 p 6

[Article by correspondent Kang Ki-sok from New York]

[FBIS Translated Text] If it is true that our strategy for the ROK-U.S. automobile negotiations left the country before negotiations opened, it is worth suspecting the CIA rather than determining that someone from our side must have divulged it.

On 15 October, THE NEW YORK TIMES revealed that the CIA actively entered the fierce U.S.-Japan automobile negotiations held last spring between U.S. Trade Representative Mickey Kantor and Ryutaro Hashimoto, Japan's minister of international trade and industry.

Trade Representative Kantor was reportedly informed every morning by CIA agents of the Japanese delegation's internal information. Moreover, Kantor knew the content of the dialogue among Japanese officials as well as the dialogue between Minister Hashimoto and Japanese automobile businessmen urging an early conclusion of the negotiations. This information, obtained through an electronic tapping device of the National Security Agency, was conveyed to Trade Representative Kantor via the CIA.

It is well known that the CIA, whose role in political and military affairs has been drastically reduced following the end of the Cold War, has been looking for a new role, carrying out "defensive spying activities."

Among the CIA's activities, President Bill Clinton has placed the greatest value on its role in enhancing the competitive strength of U.S. enterprises and in preventing the outflow of technological and financial information from the United States. On several occasions, CIA Director John Deutch has repeatedly stated that the CIA's policy is to strengthen its collection of economic information. However, during an interview in August, he stressed that the CIA's collection of economic information is defensive, stating: "The CIA will not act as an industrial spy to benefit U.S. enterprises."

Nonetheless, as shown in the U.S.-Japan automobile negotiations, the CIA is not concentrating all its efforts on defensive activities.

It has also been revealed that the CIA prepared the report on the international competitive strength of U.S. enterprises which was submitted to the U.S. House of Representatives by U.S. Secretary of Commerce Ronald Brown on 14 October. The report disclosed that since 1994, U.S. rival enterprises in France, Britain, Germany, and Japan have cut U.S. enterprises out of

the competition in some 100 overseas bids (equivalent to approximately \$45 billion) by offering bribes. The report urged the U.S. Government to develop proper measures to cope with such cases.

According to THE WALL STREET JOURNAL, which quoted classified reports it had obtained, it seems that an overseas investment market worth \$1 trillion will be formed over the next 10 years, and that U.S. enterprises will face difficulties in this market because of bribes and other unfair competition engaged in by foreign enterprises. The report also analyzed that Britain appropriated 0.025 percent of its gross domestic product [GDP] for the promotion of exports in 1994, and France and Japan appropriated over 0.017 percent of their GDP for export promotion, while the United States appropriated a mere 0.003 percent of its GDP for the same purpose.

The CIA's collection of economic information from allies is being conducted more fiercely than its collection of information from hostile countries. Sometimes the United States disgraces itself when the CIA's spying is detected by a foreign country's intelligence agency.

For example, in February the CIA's chief of station in Paris and three agents were deported after having been detected attempting to obtain French industrial information by buying off French Government officials and employees of a state-run enterprise.

During an informal meeting with ROK reporters in New York, Deputy Prime Minister Hong Chae-hyong, who visited the city on 11 October after attending the recent general meeting of the International Monetary Fund in Washington, flatly refused the possibility of an outflow of our internal information, saying: "I understand that our delegation to the ROK-U.S. automobile talks communicated with the government by using the Foreign Ministry's communication network, which has a perfect security device." However, perfect security cannot exist in a world of information.

Military Publicizes North Soldier's Belongings

SK1810005195 Seoul THE KOREA TIMES in English
18 Oct 95 p 3

[FBIS Transcribed Text] Military authorities yesterday made public 440 items belonging to the North Korean soldier killed Tuesday in his alleged infiltration into the South near mid-western border in Paju, northern Kyonggi-to.

The items on display at a military observation post near Imjin River included two M-16 rifles, three U.S.-made grenades, two cameras, emergency rations and flippers.

The authorities also unveiled the body of the killed, seemingly to be as tall as 172 centimeters and in the mid-thirties.

The face and other parts of the North Korean were all bloody, indicating there was a fierce fighting with South Korean soldiers.

According to the military authorities, the infiltrator was shot in the left side of his face.

The military uniform of the North Korean had a staff sergeant rank mark, name tag, service number and infantry identification.

The M-16 rifles without serial number were wrapped by tapes, possibly to prevent them from getting soaked and leave them inconspicuous, Major General Yi Kang-on explained at a press conference at the observation post.

Two plastic bags of the North Korean soldier contained Chinese-made chocolates, four pieces of emergency ration, penicillin and other drug pills.

Among the items are also two pistols charged with 10 bullets, 210 bullets, seven magazines, 300mm- and 500mm-telephoto lens and four films.

The military officer explained that the presumed infiltration point, 40 kilometers south of the Demilitarized Zone, is one of the routes easily permitting penetration, due to thick woods and frequent overcastings of fogs there.

Army soldiers were ferreting out around the infiltration point for unretrieved belongings of the North Korean soldier.

In the press conference, Maj.-Gen. Yi said that the military unit, which detected the infiltrator, was maintaining a high morale and order, adding that 100,000 won of monthly allowance are paid to each battalion.

Army Reportedly Sights 'Armed Agent'

*SK1810014595 Seoul YONHAP in English
0132 GMT 18 Oct 95*

[FBIS Transcribed Text] Paju, Kyonggi Province, Oct. 18 (YONHAP) — The army caught sight of an armed agent, believed to have infiltrated South Korea via the Imjin River south of the demilitarized zone (DMZ) along with the intruder who was shot and killed by South Korean army guards early Tuesday morning, fleeing to the North Tuesday evening, local police sources said Wednesday.

The suspected North Korean agent was first sighted some 300 meters south of the Military Demarcation Line through an observation device at an army general outpost (GOP). He was later seen fleeing to the North

across the Imjin River at a point some 4.5 kilometers south of Freedom Bridge or 4 kilometers south of the area where a North Korean infiltrator was found killed.

The agent was then seen arriving at a North Korean Army GOP at 8:10 PM [1110 GMT 17 October], sources said.

Considering that the escape route he took was the same one some North Korean intruders used in 1992, army and police officers believe that the agent must have been part of an infiltration team along with the killed North Korean.

Dailies on North Korean Infiltration Attempt

SK1810080095

[FBIS Editorial Report] Local vernacular dailies on 18 October carry editorials commenting on the apparent infiltration attempt by a North Korean agent across the DMZ on 17 October.

The conservative CHOSON ILBO carries on page 3 an 800-word editorial entitled "North Korea and the Armed Agent." Pointing out that North Korea repeats "its same old tactics to achieve its goal while sticking to its outdated dogmatism of 'liberating South Korea,'" the editorial questions why North Korea chose "such an outmoded method" to infiltrate into the ROK when there are many other ways. The editorial then states: "It is hard to know whether the recent event of an armed agent's infiltration was aimed at conducting a field survey for the massive introduction of North Korean agents to disturb the South Korean society. However, one thing is clear that we, as in the past, would only feel betrayal and disappointment if we try to understand North Korea according to our own rationale."

Denouncing North Korea for being bent on "arousing hostility to South Korea among its residents," the editorial states: "There is only one way to handle such a group; patiently waiting for a change that will inevitably come due to the limits of its system and economic crisis while not slackening vigilance against North Korea and while holding a dominant position of power."

The moderate TONG-A ILBO carries on page 3 an 800-word editorial entitled "The Lesson of the Incident of North Korean Soldier's Infiltration." Listing North Korea's recent attempts to paralyze the Armistice Agreement and to scrap the North-South Basic Agreement, the editorial says that the recent incident once again confirmed "North Korea's wild ambition" to "realize armed unification of Korea under communist rule." The editorial then points out that "the recent movements inside North Korea hint that the hard-liners within the military are gaining power."

Expressing concern over the low morale and lax discipline within the ROK Army, the editorial calls on the Army to "meet the people's expectations for invulnerable defense posture by thoroughly searching for additional armed North Korean agents." The editorial concludes by calling on the people to "realize the grim reality of North-South showdown" in the wake of the recent infiltration incident.

The moderate CHUNGANG ILBO carries on page 5 a 700-word editorial entitled "What Is the Armed Infiltration on Earth?" Expressing "the shock" over the incident, the editorial states: "For us who have already provided 15,000 tonnes of rice and discussed the issue of additional rice aid with North Korea, the incident arouses unbearable indignation and the feeling of betrayal." The editorial notes "this incident not only threw a wet blanket over North-South reconciliation, but also raises an alarm to those who hastily expected North-South exchange and reunification." The editorial calls on the government to "know the true nature of North Korea and to map out correct measures to handle it" and to "set up impregnable defense posture" against North Korea's possible provocations.

The moderate HANGUK ILBO carries on page 3 an 800-word editorial entitled "The Shock Over the Infiltration by the Armed Agent." The editorial considers the incident "North Korea's return to hard-line stance." Analyzing the background behind the incident, the editorial says that Kim Chong-il may have committed such an infiltration to "demonstrate his hard-line stance toward South Korea and its strong leadership" or to "respond to the Foal Eagle-95 joint military exercise." The editorial also attributes the incident to "the possible increasing influence of hardliners within the military." Referring to North Korea's recent arms buildup, the editorial calls on the people and the government to pay attention to "North Korea's ambition to realize reunification through communism" and to "take thorough preparations against this."

Ministry Confirms Soldier 'Fled to the North'

*SK1810023195 Seoul YONHAP in English
0218 GMT 18 Oct 95*

[FBIS Transcribed Text] Seoul, Oct. 18 (YONHAP) — The Defense Ministry has confirmed reports that a North Korean soldier who is believed to have been a colleague of the North Korean soldier found killed near Freedom Bridge Tuesday has fled to the North.

Army night observation equipment caught sight of a North Korean soldier wearing a dark-colored diving suit coming out of the Imjin River and heading for a North Korean Army general outpost (GOP) across the Military

Demarcation Line at around 8 PM Tuesday [1100 GMT 17 October], the ministry said.

The ministry added that the military is still on alert as there is a possibility that the North Korean commando team might have been a three-man squad, continuing with its extensive manhunt for a possible third soldier in areas north of Seoul in a joint operation with police.

Paratroopers have been mobilized for search operations on the Imjin River and airborne surveillance is continuing, the ministry added.

North Refuses To Receive UNC Letter

*SK1810121695 Seoul YONHAP in English
1204 GMT 18 Oct 95*

[FBIS Transcribed Text] Seoul, Oct. 18 (YONHAP) — The United Nations Command [UNC] in Korea tried to send a letter of protest to North Korea Wednesday afternoon over the incident in which a North Korean infiltrator was shot dead early Tuesday morning, but the North Koreans refused to accept it, the UN Command reported.

A special observation team from the UNC Military Armistice Commission inspected the scene where the infiltrating North Korean soldier was killed, and concluded that the remains, weapons and supplies taken from the scene were those of North Korea.

Based on the finding, the UN Command sought to send a protest message to the North through a liaison officers meeting at Panmunjom.

The North Korean liaison officer, however, refused to receive the message, saying, "At instructions from a higher office, I cannot receive a message related to the Armistice Agreement."

The letter, signed by Maj. Gen. Yi Sok-pok, senior member of the UNC Military Armistice Commission, was to be sent to North Korean Maj. Gen. Yi Chan-pok.

The message, made public by the UN Command later, said in part, "A North Korean soldier, trying to infiltrate into the South along the Imjin River, was shot dead by South Korean soldiers on guard duty around 2:20 AM Tuesday."

Gen. Yi said he was strongly protesting the North Korean armed infiltration made in violation of Paragraph 14, Article 12 of the Military Armistice Agreement.

The letter went on to say that the infiltrator was heavily armed and carried a camera with him, which it said indicated that he was on an espionage mission.

This and the fact that he was in the South Korean uniform constitute a violation of international law, and add to the seriousness of the incident, the message said.

It also said such a provocative and hostile violation of the Armistice Agreement only works to build up tension between South and North Korea.

Meanwhile, the UN Command said the command stands strongly opposed to the one-sided attempt of North Korea to undermine the Armistice Agreement.

The command, in its part, will continue to abide by the Armistice Agreement, it added.

Survey Team To Visit North 'Early Next Week'

SK1810104195 Seoul MUNHWA ILBO in Korean
17 Oct 95 p 2

[FBIS Translated Text] A government official stated on 17 October that the second site survey team will visit North Korea early next week to determine the site where the light-water reactors will be constructed.

The official added that the team will receive the existing survey data — which was not handed over to the first survey team — from the North Korean side during the second survey, which is being promoted by the Korean Peninsula Energy Development Organization [KEDO] under the North Korea-U.S. agreement reached in Kuala Lumpur in June. It is also expected that the team will intensively study the select area's geological characteristics and the possibility of an earthquake.

The KEDO has stated that the Sinpo District in North Korea generally satisfies the standard conditions needed for the construction of the light-water reactors, but that it requires a lot of survey works to determine the site.

Like the first survey team, the second survey team is made up of experts from the three countries — the ROK, United States, and Japan — and it will also consist of about 20 experts, more than 15 experts during the first site survey. In particular, it is expected that the role of the ROK will be enhanced.

Deputy Premier Na on 'Government's Position'

SK1810085795 Seoul MUNHWA ILBO in Korean
17 Oct 95 p 2

[FBIS Translated Text] Na Ung-pae, deputy prime minister and minister of the National Unification Board, stated on 17 October: "I do not want North Korea to be isolated from the international community, nor to be fallen into internal disorder. The government will maintain partnership relations with North Korea for co-prosperity and growth, instead of competition and confrontation."

Deputy Prime Minister Na's remarks run counter to the hard-line remarks recently made by President Kim Yong-sam with regard to the government's position toward North Korea, thus inviting attention from the public.

In his keynote speech at the first ROK-Russian seminar (Yu Se-hwi, delegate from the ROK side) held at the Choson Hotel on the morning of 17 October, Deputy Prime Minister Na stressed that "North Korea should discard its closed-door policy, but seek a way of actively promoting cooperation with the international community."

He also stated that "to establish a peace system between the North and South, we need cooperation from relevant countries," expressing hope that "Russia will actively make efforts to prevent North Korea from developing nuclear missiles."

North Official Urges PRC's 'Balanced Stance'

SK1810022595 Seoul CHUNGANG ILBO in Korean
18 Oct 95 p 2

[Report by Mun Il-hyon from Beijing]

[FBIS Translated Text] On 17 October, Choe U-chin, North Korean vice foreign minister, held talks with Chinese Foreign Minister Qian Qichen and discussed pending issues between the two countries, such as Chinese President Jiang Zemin's visit to the ROK, China's flood aid to North Korea, and the Korean peninsula's peace agreement.

A diplomatic source in Beijing revealed that "Vice Foreign Minister Choe secretly visited Beijing from 14 to 17 October" and "held talks with Foreign Minister Qian on 17 October after his talks with Vice Foreign Minister Tang Jiaxuan on 16 October."

The source further added that "during the talks, Vice Foreign Minister Choe U-chin expressed deep interest in and regret over President Jiang Zemin's five-day visit to the ROK which will begin from 13 November," and "urged China to assume a balanced stance on its policy toward the Korean peninsula."

Official Notes 'Friction' Among North Factions

SK1810030195 Seoul SEOUL SINMUN in Korean
18 Oct 95 p 3

[Report by Ku Pon-yong]

[FBIS Translated Text] A high-ranking government official stated on 17 October that "unlike Kim Il-song's lone dictatorship, Kim Chong-il appears to have assigned different roles to core officials of the party,

the military, and Administration Council, thus spurring them in a loyalty competition with each other."

This official observed that "as a result, there is a lack of horizontal relations between offices and organizations within the North Korean system, and discord has emerged between them," thus hinting of friction between hardline and moderate factions within the North Korean political system.

The official emphasized that "the failure to repatriate the Usong ship's crew, the forcible hoisting of the North Korean flag, and the abduction of Pastor An Sung-un, are linked somewhat with the competition and confrontation between these forces."

Foreign Ministry Rejects Kono's Remarks

SK1710120295 Seoul YONHAP in English
1155 GMT 17 Oct 95

[FBIS Transcribed Text] Seoul, Oct. 17 (YONHAP) — South Korea on Tuesday rejected Japanese Foreign Minister Yohei Kono's remarks that he does not believe Japan should be held responsible for the division of Korea.

"It is self-express that had it not been for the occupation and colonial rule of Korea by imperial Japan, there would have been no division of Korea across the 38th parallel," Foreign Ministry Spokesman So Tae-won said.

Japanese Foreign Minister Kono reportedly told a press conference in Tokyo Tuesday that he believes everybody knows the background leading to the fixing of the 38th parallel dividing South and North Korea upon the end of World War II.

The Japanese official's assertion came two days after President Kim Yong-sam stated over the weekend that there is no change in his belief that the cause of Korean division lies in the colonial rule of Korea by Japan.

Spokesman So said President Kim's remarks were based on a universal perception of history.

"The Japanese minister viewed the matter merely from the fragmental angle of the drawing of the 38th parallel without looking at the fundamental cause of division," So said.

He went on to say he suspects Kono's assertion manifested a scheme to smokescreen and distort a historical fact.

"We believe the Japanese Government should accept, and reflect on itself over, historical truth in a humble manner," Spokesman So said. "Only on such a ground-

work can a future-oriented, genuine friendly and cooperative relations be fostered between Korea and Japan."

Parties React to 'Outrageous Remarks'

SK1810095595 Seoul YONHAP in English
0903 GMT 18 Oct 95

[FBIS Transcribed Text] Seoul, Oct. 18 (YONHAP) — South Korea's political parties, both government and opposition, on Wednesday furiously reacted to "the outrageous remarks" Japanese leaders, including Prime Minister Tomiichi Murayama and Foreign Minister Yohei Kono, recently made regarding past Korea-Japan relations.

The ruling Democratic Liberal Party (DLP) decided to postpone indefinitely the 23rd joint meeting of the Korea-Japan and Japan-Korea Parliamentarians' Unions slated for early next month to protest the Japanese leaders' remarks.

The decision was made at a high-level staff meeting presided over by Chairman Kim Yun-hwan, who concurrently serves as head of the Korea-Japan Parliamentarians' Union, in view of the diplomatic row between the two countries over the assertions, DLP Spokesman Son Hak-kyu said. But he added the decision is not a denouncement of all political exchange programs between the two countries.

Commenting on Foreign Minister Kono's remarks in which he said Japan is not directly responsible for the division of the Korean peninsula, Son rebutted by saying the division came as a result of the post-World War II deployment in the Korean peninsula of U.S. and Soviet troops tasked with disarming the Japanese troops.

Kono not only distorted "the grim facts of history" but also made "an outrageous remark about the pain suffered by the Korean people, who have nothing to do with the responsibility over the World War II, as a result of their nation's division," he remarked.

Son also lashed out at Prime Minister Murayama for his insistence on the "legality" of Japan's annexation of Korea in 1910, stressing that under international law a treaty forced upon one country by another, like the agreement Japan imposed on Korea establishing colonial rule, is not valid.

He then called on the Japanese leaders to apologize to their Asian neighbors for the "outrageous" statements they made against them and to immediately issue retractions.

Pak Chi-won, spokesman for the main opposition National Congress for New Politics (NCNP), said the Japanese Government, by not reflecting on the wrongs it

committed against its neighbors in the past has justified those wrongs and thereby proven itself to be a nation which lacks a good understanding of international law.

He then called for establishing an international institution that includes not only Japan but also the Asian countries which fell victim to the island nation in the past, such as Korea, to correct the history surrounding their relations.

The two minor opposition parties — the Democratic Party and the United Liberal Democrats — also joined the DLP and NCNP in lashing out at the Japanese leaders for their comments about past Korea-Japan relations.

Reaction to Japanese Minister's Remarks

SK1810093995 Seoul YONHAP in English
0747 GMT 18 Oct 95

["News analysis" by Hwang Tu-hyong]

[FBIS Transcribed Text] Seoul, Oct. 18 (YONHAP) — In a rare move, the Foreign Ministry Tuesday expressed its "extremely deep regret" over Japanese Foreign Minister Yohei Kono's remarks in which he said that Japan is not directly responsible for the division of the Korean peninsula.

The Foreign Ministry's denunciation of Kono is considered one of the strongest ever in recent years considering the fact that the ministry reacted in a "lukewarm" or "diplomatic" manner to comments made by Japanese politicians which provoked the Korean people by defending Japan's colonization of Korea and its role in World War II.

The reason for the unusually strong reaction to Kono is because, "The Japanese foreign minister reacted very rudely to remarks President Kim Yong-sam recently made in an interview with a Japanese newspaper," Deputy Director-general of the Asia-Pacific Affairs Bureau Yi Won-hyong said.

"It is very rude and rare for a foreign minister of a country to directly rebuff remarks made by the head of another state in consideration of international practices of diplomacy," Yi asserted.

"I cannot understand why Kono added fuel to the volatile sentiments of the Korean people which were badly hurt by recent remarks made by Japanese Prime Minister Tomiichi Murayama in which he said the Korea-Japan annexation treaty was signed in a legally valid manner," Yi explained.

He added that Kono should have acted more carefully and taken into consideration the disheartened feelings of the Korean people, reminding that his ministry has

exercised extreme restraint in reacting to Murayama's comments amid strong criticism from the local media regarding the ministry's lukewarm response to Murayama which were intended not to damage bilateral relations.

Kim had said in the interview that Japan is responsible for the division of the Korean peninsula, noting that the former Soviet Union and the American Forces came to the peninsula to disarm the Japanese Imperial Army at the end of World War II.

Yi also said that his ministry is negotiating with Japan on Kono's visit to Seoul slated for early next month in which the Japanese official is expected to try and salvage the nosediving relationship between the two countries, which has fallen to the lowest level in recent years mainly because of the controversial remarks made by Japanese Prime Minister Tomiichi Murayama and some of his cabinet members in defense of Japan's colonization of Korea earlier this century.

"It, however, will be difficult for Kono to visit South Korea in early November unless he brings some proposals or an apology to the Korean people to soothe the scars left by his remarks and those of his colleagues which severely hurt the feelings of the Korean people," Yi pointed out.

The deputy director-general did not want Kono to trigger additional problems by coming to Korea without offering solutions to the aggravated relationship between the two nations.

The South Korean Foreign Ministry hopes that Japan will employ a forward-looking attitude in its interpretation of the Korea-Japan basic treaty signed in 1965 which says that the 1910 annexation treaty between Korea and Japan was "already null and void".

South Korea is insisting that the basic treaty established that the annexation treaty was null and void from the start, while Japan maintains that the annexation treaty was effective at the time of the signing but became invalid after Japan's defeat during World War II in 1945.

"I think the chance is zero percent that Japan will accept our position that the annexation treaty was never valid from the outset," a Foreign Ministry official said. "What we want is for Japan to take just a little more of a progressive attitude when interpreting the 1965 Korea-Japan basic treaty on the legality of the annexation treaty."

The official noted that Japanese prime ministers have already changed their official positions regarding the annexation on two occasions in 1965 and 1986, respectively.

On the first occasion, the then Japanese prime minister claimed that the annexation was signed by the two countries on an equal footing and that it was done of their own free will.

On the other occasion, the then prime minister partly admitted the coerciveness employed at the time of the treaty's signing by saying that the treaty was signed as a formality against the backdrop of some "historic circumstances."

About a decade later, Murayama claims that the annexation treaty is technically effective but admits it was signed in a compulsory manner.

As Director-general Kim Ha-chung of the ministry's Asia-Pacific Affairs Bureau puts it, South Korea raised no issues with the remarks of the Japanese prime ministers on the previous two occasions.

The situation, however, has changed. "I wish the Japanese Government could acknowledge the fact that political and economic situations in South Korea have greatly changed," Kim Ha-chung said.

In this connection, he expressed a hope that the Japanese Government would take a more progressive attitude in its interpretation of history.

There, however, still remains some major hurdles on the road to a more progressive interpretation of history.

The first stumbling block is that Japanese politicians tend to try and satisfy their people's nationalistic and rightist tendencies by insisting that Japan performed its proper role in the annexation of Korea and by staging World War II on the Asia-Pacific front, according to another official of the Foreign Ministry.

"By so doing, they are seeking reelection," he said.

The second hurdle is the fear that Japan might have to face additional difficulties in dealing with North Korea, with which Japan is already pushing ahead with plans to normalize relations, if Japan admits the illegality of the annexation treaty, he said.

"If Japan admits the annexation treaty was never valid from the outset, Japan will lose ground for refusing to compensate for the damage to the so-called comfort women and many of those Koreans who were forced to fight on the battlefields, work in mines or do other things during World War II," he said.

The acknowledgement of the illegality could also indirectly affect Japan's relations with China, Taiwan and other Southeast Asian nations, in terms of war compensation and rewriting history, he said.

As Japan's ASAHI SHIMBUN reported recently, the biggest hurdle to the issue involving Japan's interpreta-

tion of its history, however, will be the Japanese Government's reluctance to educate its people about Japan's true role in the colonization of Korea and the staging of the Second World War.

The Japanese daily also pointed out that, as a result, many Japanese do not even know what Japan did during its colonization of Korea and imperial invasion of a number of East Asian nations.

Those attitudes of Japanese politicians regarding their interpretation and education of history finally resulted in an editorial in a Southeast Asian country's newspaper which did not express sympathy for a Japanese victim of a rape case, involving a female Japanese student and several American soldiers in Okinawa, near American Naval and Air Force bases there, according to ASAHI.

Without sympathy for the rape victim, the Southeast Asian daily just reminded people of the atrocities committed by the Japanese during World War II, ASAHI said.

YONHAP Correction to Summit Cancellation

SK1810100695 Seoul YONHAP in English
0937 GMT 18 Oct 95

[Corrected version of SK1810082295, as supplied by YONHAP; explanatory notes describe differences from original FBIS version]

[FBIS Transcribed Text] Seoul, Oct. 18 (YONHAP) — President Kim Yong-sam has decided to cancel a summit meeting with Japanese Prime Minister Tomiichi Murayama scheduled at the United Nations for Oct. 22 in consideration of the national sentiments against Murayama's controversial remarks regarding the legality of the Korea-Japan Annexation Treaty, a Foreign Ministry official [initial YONHAP version read "spokesman"] said Wednesday.

Denying reports that the Japanese side was putting off the scheduled summit, the official [initial YONHAP version read "spokesman"] said that it was President Kim, not Murayama, who made the decision to cancel the proposed meeting.

Kim also decided just before departing South Korea Monday for Canada and the United States to not go ahead with the confab because he will meet with Murayama in Osaka, Japan, next month while attending the Asia-Pacific Economic Cooperation (APEC) summit, the official [initial YONHAP version read "spokesman"] said.

Another reason for the cancellation is that Kim's tight schedule in New York would not allow him enough time to meet with Murayama, he noted.

Japan initially proposed the summit, he said.

On reports that Japanese Foreign Minister Yohei Kono will visit Seoul early in November to smooth out bumpy relations the two countries have experienced recently, the official [initial YONHAP version read "spokesman"] said that a bilateral visit was already scheduled to discuss issues related to the upcoming Osaka APEC summit even before Murayama and Kono made the controversial remarks.

"It, however, is not clear at the moment whether Kono will come to the country next month, although discussions are still underway about the visit," he noted.

Daily Views Transfer of Russian Technology

SK1810073995 Seoul HANGUK ILBO in Korean
18 Oct 95 p 2

[Report by Son Yong-kyu]

[FBIS Translated Text] On 17 October, the government reached an agreement with Russia to transfer from Russia 15 ultramodern military technologies — including Inter-Continental Ballistic Missile [ICBM] technology — for use in civilian industries.

This agreement was reached during a meeting of the ROK-Russia joint science and technology committee held between Chong Kun-mo, ROK minister of science and technology, and Boris Saltykov, Russian minister of science and technology policy. They also agreed to form a joint working-level consultative organization within this year to decide the timing and method of technology transfer. The military technologies agreed to for transfer to the ROK side are of 15 kinds including ICBM guidance device technology; technology on the design and manufacture of fighters, including MIG-29s; photographic technology for military intelligence satellites; and anti-aircraft radar systems.

The Ministry of Science and Technology intends to use the ICBM guidance Device technology for automobile automatic operating devices and for automatic navigation devices for ships and vessels, and the technology on design and manufacture of fighters to help manufacture 100-seat medium-size aircraft. The ministry also plans to use the photographic technology for manufacturing special high-sensitivity color films and anti-aircraft radar systems for surveying the sea bottom and manufacturing fish finders. One or two kinds of Russia's civilian-military combined technologies have been transferred to the ROK in the past. However, this is the first time that military technologies have been directly transferred from Russia to the ROK en masse.

Samsung Joins in Support Program in Uzbekistan

SK1710130795 Seoul YONHAP in English
1207 GMT 17 Oct 95

[FBIS Transcribed Text] Seoul, Oct. 17 (YONHAP) — The Samsung Business Group has sent a managerial and technical advisory team to Uzbekistan under the United Nations program for support of underdeveloped countries, a Samsung official said Tuesday.

Samsung is the first South Korean business group ever to take part in the UN program.

A three-man team led by a Samsung electronics manager would stay in Uzbekistan for six weeks giving financial, marketing and technical advises to four electric and electronic industries there.

Expenses arising from the team's advisory activities in Uzbekistan will entirely be born by Uzbekistan and the UN Development Program (UNDP).

Government Purchases Indian Rice

SK1510042695 Seoul THE KOREA HERALD
in English 15 Oct 95 p 8

[FBIS Transcribed Text] Korea has purchased 57,008 tons of rice from India to meet the World Trade Organization (WTO) obligations concerning rice market opening, the Office of Supply said yesterday.

Under the WTO's minimum market access clause, Korea is obliged to import 57,008 tons of rice from abroad this year.

The contract was signed yesterday between Daewoo Corp. of Korea and Satam Overseas and Kundan Rice Mills of India, according to the office.

Daewoo Corp. imports the rice at \$291-\$292 per ton, a good buy as the international rice prices hover around \$400 to \$450 per ton, according to the office.

The office has chalked up an import price of \$545 per ton in its budget. But thanks to Daewoo's cheap deal, it will be able to save about half of the budget money.

Kim Yong-sam Meets With British Columbia's Premier

SK1810020895 Seoul YONHAP in English
0139 GMT 18 Oct 95

[FBIS Transcribed Text] Vancouver, Oct. 17 (YONHAP) — President Kim Yong-sam began the second day of his official visit to Canada on Tuesday by receiving Prime Minister Mark Harcourt of British Columbia at the Pan Pacific Hotel here.

President Kim and First Lady Son Myong-sun met with the prime minister and his wife at the hotel's reception hall and chatted for about 15 minutes before moving to the hotel's restaurant for lunch.

President Kim said that he was happy to be visiting Vancouver, which he said is "The gateway bridging Canada and the rest of the Asia-Pacific region, and a beautiful city that symbolizes the harmony between artificial things and nature."

During the luncheon which lasted about an hour and a half, Harcourt expressed his hope for increased cooperation between South Korea and British Columbia.

President Kim replied that the relations between Canada and other countries within the region are becoming ever closer with the advent of the Asia-Pacific era.

"British Columbia is playing a leading role in the enhancement of practical cooperation between South Korea and Canada," Kim said. "I expect that Korea's relations with this area will be strengthened not only in trade and tourism but also in modern technology."

Kim went on to say that over 20,000 Korean immigrants who have settled in this area will fulfill the role of a highly useful bridge for cooperation between their native country and British Columbia.

Kim Yun-hwan Gives DLP Policy Speech

*SK1710044295 Seoul YONHAP in English
0259 GMT 17 Oct 95*

[FBIS Transcribed Text] Seoul, Oct. 17 (YONHAP) — Chairman Kim Yun-hwan of the ruling Democratic Liberal Party (DLP) said Thursday [as received] that his party is against the opposition-introduced bills concerning the Kwangju democratization movement of May 1980, noting the legislation is designed rather to punish those involved in the bloody suppression of the movement by military troops than to disclose the truth about the incident.

Delivering the DLP's policy speech at a plenary session of the parliament, he said retroactive laws, such as the opposition's bills, would not only be unconstitutional but would also plunge the nation into legal and political confusion, adding, "My party will wait for the Constitutional Court to rule on this issue."

He stressed the need to end the so-called era of three Kims' politics, saying a generational shift is a trend of the times which nobody can resist because the people want it.

Kim also indicated that the DLP has reconciled with past governments, explaining that the party has opened its doors to anybody who wants to work for a free

democracy and that it would welcome even those who have been alienated in the course of conducting reform programs while participating in previous governments if they want to join "us in the move to unite all those who believe in free democracy."

He also stressed the need to eliminate regional rivalries for salutary political development, saying regional rivalries contributing to political hegemonism would only stand in the way of national reunification in the coming century.

As for the government's North Korea policy, Kim urged the administration to reflect on its inconsistencies in the past, saying enthusiasm and aspirations alone will not ensure national reunification. Assistance to North Korea must be preceded by Pyongyang's official and open request and the public's approval for the aid, he stressed.

He pledged the DLP would continue its endeavors to become a truly national party, the only political force to achieve national unity, by developing a free democracy which serves the interests of the middle class and all others who long for a steady and stable economic growth.

For this, the DLP will see to it that the tax burden on the middle class and small businesses is lessened, he said, adding the party would also promote the second-phase of its agricultural restructuring program to make the agricultural industry more competitive on the world market.

Kim Tae-chung Urges Passing of Laws

*SK1310033995 Seoul YONHAP in English
0148 GMT 13 Oct 95*

[FBIS Transcribed Text] Seoul, Oct. 13 (YONHAP) — President Kim Tae-chung of the main opposition National Congress for New Politics said Friday that President Kim Yong-sam would eventually support the opposition's efforts to have parliament pass three laws concerning the May 18, 1980, Kwangju incident because religious and many civic organizations are behind them.

The opposition leader made the remarks when he spoke to a breakfast meeting of leaders from one of the nation's major Presbyterian churches at the Manhattan Hotel in Yoido.

In order to gain the support of President Kim, civic campaigns in favor of these bills should not put on violent demonstrations, nor should they go to any extremes, he remarked.

Noting that the April 19 student uprising in 1960 and the June 29 Seoul citizens uprising in 1987 were the only successful civil movements during the past 30 years, Kim explained that they were triumphant because they were not pro-communist, anti-American nor violent, thus they won the support of the middle class and the U.S. Government.

Daily Notes 'Electioneering' Moves of Minister

SK1710071795 Seoul THE KOREA TIMES in English
17 Oct 95 p 9

[FBIS Transcribed Text] Days after returning from the annual meeting of the International Monetary Board and the World Bank in Washington, Deputy Premier and Finance and Economy Minister Hong Chae-hyong yesterday visited his hometown city of central Chongju to give a lecture on ways of revitalizing the regional economy.

A Ministry of Finance and Economy official said he is visiting his hometown as the deputy premier officially to seek ways of bailing out the troubled economy of the central Chungchong region, but his real intention is said to be winning high scores from Chongju businessmen ahead of his running for the National Assembly election next April.

Less than a month ago, he visited Chongju even in the face of criticism that Hong was abusing his official post for his personal electioneering. But this time, he did not concern himself with criticism. He asked the Korea Broadcasting Corp. (KBS) to air his speech tomorrow night for one hour.

Aides to Hong expressed the hope that President Kim Yong-sam will conduct a Cabinet reshuffle as soon as possible so that DPM Hong can devote himself solely to the National Assembly election. Hong has already opened his election camp in Chongju.

Samsung Holds Meeting To Discuss Strategic Goals

SK1710084095 Seoul THE KOREA HERALD
in English 17 Oct 95 pp 8, 9

[Article by THE KOREA HERALD correspondent Yi Kap-su]

[FBIS Transcribed Text] London — Yi Kon-hui, chairman of Samsung Group, presided over a strategic meeting of electronics executives here to declare the group's goal of becoming one of the top-five producers of electronics in the world by the year 2000.

"Global marketing and overseas production are no longer an option, but a matter of survival," Yi told a group of some 25 executives including Kim Kwang-ho, vice chairman of Samsung Electronics.

The two-day meeting, which concluded Sunday [15 October] (local time), followed last week's opening by Samsung Electronics Co. (SEC) of a giant, \$64.9-million electronics manufacturing complex in W'nyard, Cleveland, in the northern section of the country.

Yi also voiced words of criticism that much of the group's overseas activities so far have led toward the "Koreanization of foreign settings."

His comments were directed at the company employees' relative inexperience outside Korea and the tendency to concentrate on the markets in which Samsung had already achieved a reasonable degree of name recognition.

The ideal direction for Samsung's overseas network companies is to "emerge as a kind of top-notch company which locals would want to work for," he said.

Yi also told executives to drive up investments "even at the cost of short-term losses," in order to emerge as a first-rate company, generating speculations that Samsung will further accelerate its outbound activities in Europe and elsewhere in the world.

The Samsung executives also agreed to attempt to raise brand name recognition for their products in advanced countries through the launch of quality new products, rather than stepping up advertising expenses.

The attendants at the meeting however hinted that the declaration for becoming a first-rate company won't involve unanimous, cookie-cutter approach to all overseas markets. "Rather, we aim at succeeding in different markets by meeting needs of specific needs," one executive said, citing the company's success in Chile as an example.

The W'nyard complex's opening, which was attended by Queen Elizabeth II, will focus on home appliances and multimedia equipment, including 1 million units of microwave ovens and 1.3 million units of color monitors.

The opening was hailed as a strong step into the European market by SEC. With W'nyard as a base, the company is also aiming to open similar facilities in Spain, and parts of Eastern Europe, said a company spokesman.

Burma**UN Official Gives News Conference on Trip**

*BK1810105795 Rangoon TV Myanmar Network
in Burmese 1330 GMT 17 Oct 95*

[FBIS Translated Text] Professor Yozo Yokota, United Nations rapporteur on human rights, accompanied by a member of his delegation, Karim Ghezraoui, has concluded his observation trip to Myanmar [Burma]. He gave a news conference in a special room of Yangon [Rangoon] International Airport before his departure at 1530 this evening.

The news conference was attended by U Khin Maung Win, director general of the International Organizations and Economic Department of the Ministry of Foreign Affairs; responsible officials; U Kyi Lwin, director general of the Department of Myanmar Television and Broadcasting; Lieutenant Colonel Tin Kha, managing director of the News and Periodicals Enterprise; and local and foreign journalists led by U Sein Win.

Responding to questions from local and foreign journalists, Prof. Yozo Yokota said that many countries view changes in Myanmar this year as heading toward the positive side, saying he had seen economic progress and changes. He explained that with the assistance of the Myanmar Government he was able to visit Shan State and Kachin State, places outside Yangon. He said he saw improvements in Myitkyina and Keng Tung where markets were crowded with cars, motorcycles, and people and an improved standard of living. Pointing out these improvements, he cited people dining happily in restaurants.

He said he did not see many people in the construction business in Keng Tung since many of these projects have been completed. He said he saw a bridge across the Irrawaddy River in Myitkyina being built, but that he did not see any forced labor [two preceding words in English]. He said he observed a nurses training school and development schools for indigenous nationals in Keng Tung. He said he was satisfied with what he saw. He said there should be such training schools in areas throughout the country where development is needed.

Prof. Yozo Yokota said he visited Insein Jail in Yangon and Myitkyina Jail. He said jail cells and facilities were good and were better than jails in many countries.

Continuing, Mr. Yokota explained that his report would be released at the UN around February 1996 and that it would be submitted to the March session of the Human Rights Commission. He said he had already completed the report to be presented at the forthcoming session of the UN General Assembly in November. He said that

report would be released in November, and would be submitted to the UN around February.

He said he saw the positive changes in Myanmar and did not see negative developments. He said economic development has brought about more material goods, cars, buildings, and hotels. However, he said he also noticed that inflation was rising and that such (?phenomenon) took place everywhere the market economy was introduced. He said the changes are heading toward the positive side. He said there was no traffic jam in Yangon three years ago, but there is now.

He said he viewed his meeting with Aung San Suu Kyi and leaders of the National League for Democracy as a positive development.

After the news conference, Mr. Yokota was seen off at the airport by U Khin Maung Win, director general for the International Organizations and Economic Department of the Ministry of Foreign Affairs; Mr. Siva Kumaradas, resident representative of the UNDP; and responsible officials from the Foreign Ministry.

Khun Sa Army Reportedly Captures Wa Villages

*BK1810074695 Bangkok THE NATION in English
18 Oct 95 p A 6*

[Unattributed report]

[FBIS Transcribed Text] Opium warlord Khun Sa's Mong Tai Army [MTA] has captured at least three Wa villages near Kengtung in the southern Shan State and has asked four divisions of Wa forces to withdraw from the frontline opposing MTA bases.

Chao Ruenkham, an MTA coordinator, said he did not know if the MTA would use force to dislodge the Wa troops but that the best option would be to negotiate for cooperation between the two groups.

The Burmese junta, which mobilized the Wa forces to attack the MTA, deliberately allowed Khun Sa's troops to advance and capture the Wa villages to create misunderstanding between the MTA and Wa groups, he said.

Ruenkham said about 300-400 Wa and Lahu forces recently defected from the United Wa State Party and joined the MTA at Doi Lang opposite Thailand's Chiang Rai province.

He said it was true the MTA was trying to establish a new base near the Chinese border, and that the area is under the control of the Wa.

Pol Maj Gen Siriwat Thompithak, deputy commander of the Border Patrol Police, said the Thai side has prepared itself in case of impact from the fighting between the

MTA and the Burmese and WA forces, but said he expected any effect to be minimal.

He said the only problem could be an influx of refugees into Thailand. Thailand usually allows refugees to stay on a humanitarian basis but they must leave after the fighting dies down, he added.

Wiwat Sirichanghapattana, president of the Chiang Rai Chamber of Commerce, said he does not think clashes in southern Burma's Shan State would have any effect on the ongoing negotiations between Thailand and Burma for the re-opening of the Tachilek-Mae Sai crossing.

Wiwat said the Burmese junta had taken measures to protect Tachilek from raids by the MTA. He expected the crossing to be reopened next month.

Brunei, Malaysia & Singapore

Malaysia

Police Detain Six More Persons Under ISA Act

BK1710130595 Kuala Lumpur BERITA HARIAN in Malay 17 Oct 95

[Unattributed report — received via Internet]

[FBIS Translated Excerpt] Kota Kinabalu, Monday — Samsul Alang Hamzah, deputy head of the Tawau UMNO [United Malays National Organization] division, is among six persons detained under the Internal Security Act (ISA) today and last night. They are under suspicion of being engaged in producing and issuing fake Malaysian passports.

The other five arrested are Ahmad Sihu, Islamic religious school teacher; Sucitto Selamat, driver attached to the Civil Defense Department; Marsuki Karim, settler at the Sabah State Land Development Authority in Silabuka; Abdul Kadir Abir, sawmill worker; and Giason Musi alias Mohamed, laborer.

Datuk Maizan Shaari, Deputy Commissioner of Police, confirmed the detention of the six persons, saying that they were arrested at their respective homes in Tawau between 1145 pm on Sunday and 0626 am on Monday.

Speaking to journalists in his office at the Police Contingent's headquarters in Kepyayan this afternoon, Maizan said that the arrests were made following the detention of several others under the same act previously. [passage omitted]

Since 13 July, 26 persons including four political party leaders, have been detained under the ISA for involvement in activities that could pose a threat to national security. [passage omitted]

Singapore

Nation Second Largest Investor in Burma in '94

BK1710123095 Singapore BUSINESS TIMES in English 16 Oct 95

[Report by Toh Han Shih — received via internet]

[FBIS Transcribed Text] Singapore has become the second largest investor in Myanmar [Burma] behind Britain, up from fourth ranking at the end of last year, a seminar here heard yesterday.

The Republic invested US\$548 million (S\$781 million — Singapore currency) in Myanmar in the first eight months of the year, against Britain's US\$642 million, U Tin Win, managing partner of U Tin Win Group, an associate of Ernst and Young, said yesterday. He was speaking at a seminar on Tourism and Investment and Infrastructure Development in Myanmar, organised by the Trade Development Board (TDB) and Singapore-Myanmar International Leisure Enterprise (Smile).

Most of Singapore's investments in Myanmar are in tourism, especially hotel development. Singapore is the largest investor of hotels in Myanmar, pouring in US\$453 million, said the deputy director-general of Myanmar's Ministry of Hotels and Tourism, U Naing Bwa.

Tourism was Myanmar's second largest source of foreign investment in the first eight months of the year, hitting a total of US\$603 million.

Oil and gas topped the list with US\$1.43 billion.

With tourism and foreign investment so important to the Myanmar economy, adequate infrastructure needs to be developed, said TDB deputy chief executive officer David Chin.

"Myanmar is eager for Singapore to invest in the building of roads, communication and transport facilities, ports and airports," he said.

The Myanmar Ministry of Energy is inviting foreign participation in hydropower and gas turbine power, said Myanmar's director-general of the Ministry of Hotels and Tourism, Khin Maung Latt.

Lt-Col [Lieutenant Colonel] Khin admitted that infrastructure in Myanmar "is not ready yet, and needs a lot of building up. In Singapore, maybe 10 people are needed to build a house, but we need many people in Myanmar." He attributed this to a lack of technology and machines.

Looking to Visit Myanmar Year 1996, the Myanmar Government is negotiating with carriers to start services

to Yangon [Rangoon], the Hotel Ministry's Mr Naing Bwa said.

France Eyes Bigger Slice of Asian Business

BK1810072495 Singapore BUSINESS TIMES in English 18 Oct 95

[Unattributed report — received via Internet]

[FBIS Transcribed Text] French Secretary of State for Foreign Trade Christine Chauvet wound up a three-day visit to Singapore yesterday with a call for greater French participation in Asian infrastructure projects and more aggressive marketing of French consumer products in the region.

"We would like to optimise Singapore's position in Asian trade. Singapore is the best open door on China for some medium-sized companies." Mrs Chauvet cited a memorandum signed yesterday by Straits Steamship Land Ltd and the French resort chain Club Med to cooperate in developing a golf resort near Kunming in southern China as an example of Singapore-France corporate synergy.

"Companies realise that Hong Kong is going through a few uncertainties and very naturally they go towards Singapore to be secure," she said.

The minister noted that 400 French firms are located here and bilateral trade in 1994 reached S [Singapore] \$3.3 billion.

Commenting on the worldwide boycott of French products following Paris' decision to resume nuclear testing, Ms Chauvet said the impact on French business had been "very light." She said French commercial interests were largely unaffected in Australia, New Zealand and Japan, where anti-nuclear protests have been loudest.

She added that the subject of nuclear testing had not been raised in her talks with Singapore officials. "Here in Singapore I think you are maybe a bit more adult than others, and you realise the necessity of security," she said.

Cambodia

Ranariddh Urges King To Control Armed Forces

BK1810110495 Phnom Penh REAKSMEI KAMPUCHEA in Cambodian 18 Oct 95 pp 1, 2

[Report by Meanop]

[FBIS Translated Excerpt] After his demand for the reinstatement of capital punishment had failed due to the lack of support from His Majesty, on 15 October First Prime Minister Prince Krompreah Norodom Ranariddh called on the king to assume temporary command of

the National Army and the National Police "to ensure impartiality and prevent coercion during the elections."

THE CAMBODIA DAILY quoted the prince as saying: "We could decide to request His Majesty to assume the role as the commander in chief of the army... [ellipsis as published] and the chief of the General Staff and to put all the armed forces under the king's command during the electoral campaign and the election (in 1998).

With the proposal, analysts say it appears that the prince has no confidence in the impartiality and neutrality of the armed forces although the Royal Government led by himself and Samdech Hun Sen has strived "to stuff and mix the armed forces of the three political parties together and to make them stay neutral."

So far, the Cambodian People's Party, which previously remained passive to the prince's call for the reinstatement of the death penalty, has not yet reacted to the latest call.

Anyway, some lawyers opine that the samdech krompreah's proposal is ambiguous. Article 9 of the Kingdom of Cambodia's constitution stipulates: "The king shall assume the august role of arbitrator to ensure the faithful execution of public powers," and Article 23 specifies: "The king is the supreme commander of the Khmer Royal Armed Forces [KRAF]." However, Article 7 says: "The king of Cambodia shall reign but shall not govern," and the last clause of Article 23 adds: "The commander in chief of the KRAF shall be appointed to command the KRAF."

If he takes on the role of commander in chief, this is tantamount to the king being endowed with military power. So it is opposed to the clause in the constitution stating that "the king shall not govern." Moreover, Article 17 of the constitution clearly states: "The provision, as stated in the first clause of Article 7, saying the king shall reign but not govern shall not be amended absolutely."

The Interior Ministry has already completed and presented the draft nationality law to the Council of Ministers for approval. As for the electoral law, it is not yet known whether it has already been completed or whether the proportional representation electoral system or the single member constituency electoral system has been adopted. [passage omitted on the previous electoral law of the UN Transitional Authority in Cambodia]

Prince Krompreah Norodom Ranariddh, however, welcomed the presence of foreign observers during the balloting, saying "We welcome foreign observers, but I think that the Cambodian people should supervise (the 1998 elections) themselves."

Finance Ministry Plans Tax on Unused Land

*BK1810105695 Phnom Penh REAKSMEI
KAMPUCHEA in Cambodian 18 Oct 95 pp 1, 11*

[Unattributed report]

[FBIS Translated Excerpt] Unused land will be subjected to tax in the very near future. This will start with the commission for evaluating unused land and the sub-commission for evaluating unused land in the provinces and cities. Tax will be collected following the promulgation of the law on tax on unused land.

Chea Pengchheang, under state secretary for economy and finance and chairman of the commission for evaluating unused land, says the promulgation of the above law is to prevent or reduce the buying up of agricultural and construction land. This law is also aimed at promoting the effective use of land, which belongs to the entire nation, and in particular to contribute to increasing the revenue from local resources.

According to an assessment by expert groups from land authorities and according to observation, tens of thousands of hectares of land are being left unused under the guise of investment, economic development, development of agricultural crops, agriculture, ... [ellipsis as published] It is known that some plots of land were bought with the promise that some sort of structures would be built on them. In the end, they were left vacant for years without being put to any use. Some plots of land were bought by businessmen who later resold it at a profit. In some cases, to cover up the fact that the land is being left vacant, peasants are allowed to farm it.

[Passage omitted citing recent seminar organized by the Ministry of Economy and Finance on the subject].

Indonesia

Tehran Supports Jakarta's Territorial Integrity

*LD1710220995 Moscow ITAR-TASS in English
2149 GMT 17 Oct 95*

[FBIS Transcribed Text] Kuala Lumpur (Malaysia), Oct. 17, IRNA — The Iranian ambassador to Jakarta, Seyyed Mohsen Nabavi, had a meeting on Tuesday morning with Indonesian vice-president, General Try Sutrisno.

Nabavi said in the the meeting that the Islamic Republic of Iran supports Indonesia's sovereignty and territorial integrity and strongly condemns the West's efforts to disintegrate the Islamic community.

The Indonesian vice-president, expressing satisfaction over the expansion of bilateral ties between the two

nations appreciated the Iranian Embassy's firm efforts in consolidating relations between the two countries.

In view of the existing potentials and the firm willingness for cooperation in Tehran and Jakarta, the level of bilateral relations in would be upgraded, he added.

Nabavi, referring to Indonesia's achievements in many fields such as economy and its position in the association of Southeast Asian Nations (ASEAN), said these fruits can only be guarded by Indonesia's sovereignty and its territorial integrity.

Minister on Objective of Military Equipment Buy

*BK1810041595 Jakarta Radio Republik Indonesia
Network in Indonesian 0000 GMT 18 Oct 95*

[FBIS Translated Text] Defense and Security Minister Edi Sudrajat has reiterated that ABRI's [Armed Forces of the Republic of Indonesia] purchase of military equipment is for the purpose of maintaining national stability.

In a statement issued by the Department of Defense and Security in Jakarta yesterday, the minister said that there was no reason for outsiders to view Indonesia's purchase of military equipment as a potential threat.

The minister said that the quantity and type of superior military equipment ABRI possesses is only sufficient for maintaining national stability and reflects the country's minimal defense efforts.

Speaking to participants of the 28th regular defense course, the minister stressed the need to understand Indonesia's background and course of development. This would allow others to understand that Indonesia's development program is systematic, gradual, and sustainable.

Philippines

Ramos Discusses U.S. Presence in Asia

*BK1810072095 Quezon City Radio Filipinas
in English 0230 GMT 18 Oct 95*

[News conference by President Fidel Ramos with Hawaiian and Filipino correspondents, moderated by Press Secretary Hector O. Villanueva, in Honolulu, Hawaii, on 17 October — recorded]

[FBIS Transcribed Excerpt] [passage omitted] [Ramos] Go ahead, Ellen.

[Villanueva] Yes.

[Ellen, not further identified] Mr. President, in your speech yesterday at the East-West Center, you gave the danger of unnecessarily provoking China which is one

of the reasons that the ASEAN states refuse to commit, enter prematurely to the U.S. proposals for the pre-positioning of U.S. [word indistinct]. I am intrigued with your use of the word (?could) commit prematurely, does that mean that the proposal was not out rightly rejected, and is there a possibility that it could be considered when the proper time comes?

[Ramos] While you will recall that the policy in ASEAN, and this has been articulated on many occasions especially during the ARF [ASEAN Regional Forum] meeting and the post-ministerial meetings of the ASEAN foreign ministers, that the policy is to have China constructively engaged in Asia-Pacific. And we are seeing the fruits of this policy: first, in regard to the Spratlys — the joint position of ASEAN for the continuing commitment of all countries, including China herself, to the 1992 Manila ASEAN Declaration which called for the peaceful, non-violent resolution of conflicts in the South China Sea islands. Secondly, I think it is also useful to recall that the Philippines and China, at the level of senior officials, and this is to be confirmed by the ministers themselves later on, and I have no doubt that this will be confirmed — the code of behavior in so far as the South China Sea islands are concerned. So this is the policy that we are following in ASEAN.

[Ellen] Sir, the pre-positioning..., the matter of prepositioning, that the ASEAN states...?

[Ramos] Well, I think again the record will show that the ASEAN countries, individually have been rather noncommittal about this.

[Villanueva] Thank you, last ... last question? Yes, Elizabeth, ladies first.

[Ramos] Ladies first, ladies last, ladies always.

[Elizabeth, not further identified] Good afternoon, Mr. President.

[Ramos] Good afternoon, [word indistinct]. How are you?

[Elizabeth] I am fine. Sir, considering this position on..., you said, the friendly relation with China, you called yesterday for a stronger U.S. presence in the Asia-Pacific. Do you not think that this will also antagonize China all the more considering their relationship is somewhat kind of shaky?

[Ramos] I called for a continuing presence in the..., again, constructive engagement of the United States in Asia-Pacific. As to what is strong, or not so strong, well, that is up for the U.S. to determine in accordance with their own national interests.

[Elizabeth] Sir, you are saying there is no conflict with regards your call for a U.S. presence in Asia-Pacific and the ASEAN's position to have a zone of peace and neutrality in the area?

[Ramos] Well, the [words indistinct] is already there. They may be not be based on land, except in Japan but the fleet is there, and the (sea-borne) air force is there. As far as the Philippines is concerned, the Philippines and the U.S. have a continuing Mutual Defense Treaty that dates back to 1954, and after this treaty we have a council of ministers headed by our foreign secretary and a Philippine-U.S. Mutual Defense Board, which is co-chaired by the chief-of-staff of the Armed Forces of the Philippines and the commander-in-chief, Pacific, of the U.S. Armed Forces, and they meet very regularly to plan joint exercises — land, sea, and air; the joint operability of units and equipment, as well as frequent and liberal exchanges between the highest military officials of our respective countries. [passage omitted]

Government To Pay Nuclear Power Plant Loans

BK1810075095 Quezon City GMA-7 Radio-Television Arts Network in Tagalog 2230 GMT 17 Oct 95

[FBIS Translated Text] The government will continue to pay billions in debt incurred for the construction of the Bataan Nuclear Power Plant, despite the \$100 million deal recently made between Westinghouse and the government.

During Senate finance subcommittee hearings, Budget Under Secretary Emilia Boncodin said that the government is still faced with debt payments amounting to P [Philippine pesos] 13 million, and the government has to pay daily interest of as much as \$326,000 until the year 2005. She added that the \$40 million payment to Westinghouse will last only until 1999.

[Begin Boncodin recording, in English] Out of the amount that was transferred from the NPC [National Power Corporation] back in 1986, 1987 to the national government, only about P13.6 billion remains — P13.6 billion remains. Now [pauses] But we have to determine whether that is the total cost of the Bataan Nuclear Power Plant. Maybe [preceding word in Tagalog] that is only partial; maybe [preceding word in Tagalog] that is only part of the total cost of the plant. [end recording]

Senator Alberto Romulo has called for a Senate inquiry on the allegedly irregular deal and also expressed concern over the government's loss over the deal.

[Begin Alberto recording, in English] So an inquiry will settle once and for all the reasons why the government entered into this agreement allowing Westinghouse to engage again in commercial activity in the Philippines;

that is the purpose of that— accountability. [end recording]

In a related development, Malacanang dismissed calls for a joint congressional inquiry into the \$100 million deal between Westinghouse and the government. According to Presidential Legal Counsel Antonio Carpio, Congress has no right to interfere with the agreement, saying that the Westinghouse agreement is exclusively an executive action. According to Carpio, two senators and three congressmen knew about the deal before it was signed. Carpio refused to identify the lawmakers. Carpio admitted, however, that the \$100 million deal was made through telephone conversations and by fax machines. He added that the parties involved in the agreement did not have a formal face-to-face meeting.

Carpio has blamed Makati Congressman Joker Arroyo, who was among those who called for an investigation, and said that he was simply pursuing what Arroyo had started when he was still an executive secretary during former President Corazon Aquino's administration. Carpio said that the payment for the nuclear plant loan was initiated by Arroyo and former President Aquino.

Thailand

Banhan Prepares for UN General Assembly

BK1810074895 Bangkok THE NATION in English
18 Oct 95 pp A1, A3

[Report by Pridaphon Tinsakun]

[FBIS Transcribed Text] While his official speech will last less than five minutes, Prime Minister Banhan Sinlapa-acha is unlikely to forget his leap into the international diplomatic arena when he attends the 50th anniversary of the United Nations next week.

Banhan will join more than 100 world leaders at the celebration in New York on Oct 24, where in the afternoon he will make history by becoming the first Thai premier to conduct, as chairman, a 30-minute session to introduce six speakers.

The premier will be flanked by two interpreters — Wirasak Khosurat, his personal secretary, and Warut Setasuwan from the Foreign Ministry.

Pracha Khunakasem, former permanent secretary for foreign affairs and now a Phalang Tham Party MP, has also been invited to attend as an adviser on foreign matters.

Banhan will leave for the US tomorrow with a delegation of 40 people, including members of the press. Apart from his wife and daughter, two ministers will be accompanying Banhan — Foreign Minister Kasemsamoson Kasemsi and Finance Minister Surakiat Sathianthai.

"He will have the privilege of being the first speaker. But he will have no more than five minutes to express his sentiments in supporting the UN," Kasemsamoson said in an interview yesterday.

"The main messages will be on peace, development and community advancement. The latter is obviously something Banhan holds close to his heart," the foreign minister said.

Asked what further remarks Banhan will have to make during his charring session, Kasemsamoson said there would not be anything difficult to say in English. He said it would be something like, "I have the pleasure of inviting to address the General Assembly."

Kasemsamoson cautioned that the trip was not a state visit since the premier has only been in office for three months. A state visit to the US usually takes a year or more to organize.

In a separate interview, Wirasak was quick to state that there would be no meeting with US President Bill Clinton nor would there be any attempt to seek more information on links to drug trafficking concerning two Thai politicians as alleged by US authorities.

"We must understand that this is a UN forum where national leaders come together and not an official trip to the UN or to the US," his personal secretary said.

Nevertheless, the Foreign Ministry has organized for Banhan to hold two separate bilateral meetings with Chinese President Jiang Zemin and Singapore's Prime Minister Goh Chok Tong.

The issues to be discussed with the Chinese president could involve Thai-Chinese economic relations, the Asia Pacific Economic Cooperation, and the latest Thai initiative to host a meeting to resolve the Spratly Islands dispute, Wirasak said.

Thanat-U.S. Row Set To Reach United Nations

BK1810043895 Bangkok BANGKOK POST
in English 18 Oct 95 pp 1,3

[Unattributed report]

[FBIS Transcribed Text] Thanat Khoman's private war with America is threatening to spill over into the United Nations.

The former foreign minister visits New York this weekend and will address UN committees on what he alleges is American interference in Thai domestic affairs.

Thanat vowed in a speech at the Rotary Club yesterday that he would brief the UN's Narcotics and Political,

Security and Economic committees on America's "bullying" of Thailand.

He would explain how some Thai politicians had come up against US charges of narcotics trafficking, charges which he described as flimsy.

He said Thailand had the right to complain to the UN about American interference in Thailand's internal affairs, which went against the UN Charter.

Thanat was appointed by the Prime Minister to head the public hearings committee investigating American drug-trafficking allegations against some Thai politicians.

He will accompany Banhan Sinlapa-acha to America as a member of the Thai delegation attending the UN General Assembly.

Thanat said he had no intention of launching an anti-American campaign. It was just that he wanted to "tell the world what the United States has done to Thailand" regarding the "unsubstantiated" charges made against the Thai politicians.

Two Chat Thai executive members, Narong Wongwan and Watthana Atsawahem, have been denied US visas on suspicion of involvement in narcotics trafficking. The two have asked Thanat's committee to investigate.

Thanat said any country had the right to reject visa applications, and did not have to give a reason. But in the case of the two politicians, Washington made the reason public, and this tainted Thailand's reputation.

It was his suspicion that by making the reason public, America was hinting that the Thai government must not appoint Narong and Watthana to the Cabinet.

He accused an opposition party of collaborating with Washington in making the allegations against the two Chat Thai members.

If he were premier, he would make the two politicians ministers and see whether Washington would suspend assistance to Thailand.

He suspected that by making the drug-trafficking allegations Washington wanted to blackmail Thailand, in the way that he alleged it did with Japan over trade and with China over human rights.

He pointed out that the case against Thanong Siriprichaphong, a former Chat Thai MP who was also denied a US visa, differed from that of Narong and Watthana, as Thanong was wanted by a US court.

American officials recently orally conveyed to Foreign Minister Kasemsamoson Kasemsi a US intelligence report about the suspected narcotics involvement of the two Chat Thai members.

This intelligence report Thanat described as "an Aesop's fable" which lacked credibility.

He said he believed that both Kasemsamoson and Banhan, who were informed of the intelligence report, thought the information was unsubstantiated, which was why they did not pass it to his committee.

"Where there is no credible evidence from the Americans, I don't see any reason why we should depend on them. We're not their colony," he said.

Thailand should not be cowed by any US threat to suspend International Monetary Fund loans, because Thailand's economy was strong and there was "no need" for such assistance.

He conceded that he had come under heavy fire for accepting the job of probing the allegations.

"What I want to do now is this: I want to resist foreign interference, and I want to protect the Thai people from unfounded allegations," he said.

He said the work of his committee would not put Thai-American relations in jeopardy.

Former Supreme Court president Banyat Suchiwa recently resigned from Thanat's committee, and another member Gen [General] Chawalit Yotmani, has shown reluctance to have anything to do with it.

But Thanat shrugged off these apparent setbacks:

"Anybody who wants to quit, let them quit. We didn't put them in chains. Anyway it'll be much better with fewer people. We won't have to listen to so many people speaking. And we'll get our work done quicker."

This Friday the committee will deliberate on the petitions lodged by Narong and Watthana.

Thanat said it would take 1-2 months for the committee to gather the evidence and to be in a position to present its findings to the premier.

Drug Panel Member Sees U.S. Data as Credible

*BK1810144395 Bangkok THE NATION in English
18 Oct 95 pp A1,A3*

[Unattributed report]

[FBIS Transcribed Text] Signs of fresh trouble emerged yesterday in the Commission of Inquiry, with former anti-narcotics chief Chawalit Yotmani suggesting that United States allegations against senior Thai politicians were supported by substantial evidence.

Chawalit, who vowed to stay on with the commission but has not withdrawn his threat to quit, made the

comment following panel chairman Thanat Khoman's dismissal of the latest information on the allegations handed over by the US to the Foreign Ministry.

"The US has given the foreign minister an Aesop's fable," Thanat said of the evidence US authorities gave Foreign Minister Kasemsamoson Kasemsi.

After returning from a trip to the US earlier this month, Kasemsamoson said he had received "verbal evidence" of the drug charges during a talk with US Secretary of State Warren Christopher and US drug enforcement authorities.

Chawalit, who retired as secretary general of the Office of the Narcotics Control Board (ONCB) at the end of last month, told *The Nation* he had worked with the US Drug Enforcement Administration (DEA), which cooperates with several foreign agencies and has a large network.

"I think the US has more evidence than other countries," he said.

After DEA officials arrested suspects and questioned them, Pol Gen [Police General] Chawalit said the information, which might implicate other persons, would be recorded. He said it was not necessary for the DEA to inform the ONCB of its information.

"We have asked them for information about Thai politicians, but they said they were investigating. It is their right to decide whether they will inform us," he said.

Asked whether the DEA ever mentioned Chat Thai Party executives Narong Wongwan and Watthana Atsawahem, Chawalit said it was not appropriate to talk about the issue in public, and that he would discuss it at meetings of the inquiry panel.

The former ONCB chief said he believed if Thai authorities take legal action against certain people, the US would give its information. However, he said the US would not provide its evidence if suspects were not formally charged.

He declined to say whether there were politicians on the ONCB's blacklist adding that the agency, even if asked by the prime minister, would not reveal its information against drug suspects if they had not been formally charged.

Chawalit said he would work for the commission to the best of his ability, and that his resignation depended on the future situation.

Thanat yesterday told a gathering of Bangkok Rotary Club members that he did not know whether the US information given to Kasemsamoson could be trusted.

"But from interviews of the prime minister and foreign minister, I think the information is nonsensical. Our own information should be enough. Thailand is not a US colony," said the former foreign minister.

During his speech entitled "Searching for the Facts About the Drug Trade", Thanat denied he would go to the US later this month to ask for further information. He claimed he would make the trip to attend the annual UN General Assembly.

"I will never lose face. Why do I have to ask US authorities for information? I have not said a single word to even imply that I will ask them for information," Thanat said.

He denied that the Commission of Inquiry would hurt Thai-US ties. Instead, the commission has strengthened bilateral relations, he said, citing the fact that US Charge d'Affaires Ralph Boyce recently donated money to Prime Minister Banhan Sinlapa-acha to help flood victims.

"But if I were the prime minister, I would not have accepted the money. Why must we owe them something?" Thanat said.

It was reported that the US threatened to cut aid to Thailand if politicians suspected of links to the drug trade were named Cabinet members. To this, Thanat said: "I want the politicians to be appointed Cabinet ministers and see what happens."

The Banhan administration set up the inquiry panel last month to look into the US drug allegations against certain Thai politicians. The government claimed that the commission would provide justice to Thai citizens who were accused without grounds.

But the 12-member panel has been strongly criticized by opposition lawmakers, in particular the Democrats, who said the committee was established to "whitewash" Chat Thai adviser Narong Wongwan and party deputy leader Watthana.

Foreign Minister Kasemsamoson said yesterday the last resort to settle the controversy over whether to indict two Chat Thai lawmakers of involvement in drug trafficking would be the code of laws.

Kasemsamoson suggested the cases be determined by the Office of the Attorney-General.

"We should make use of our available judiciary system to ensure protection against state influence," Kasemsamoson said.

The minister admitted that the issue now was "the admissibility of information to be used".

Kasemsamoson Advises Caution on Nuclear-Free Zone

*BK1810055695 Bangkok BANGKOK POST
in English 18 Oct 95 p 8*

[Unattributed report]

[FBIS Transcribed Text] The Foreign Minister advised the Association of Southeast Asian Nations yesterday not to rush the launch of its nuclear weapons-free zone treaty.

M.R. Kasemsamoson Kasemsi said the document must be comprehensive and take into account American worries about the free passage of nuclear-powered vessels through Southeast Asian waters.

Senior officials of the seven-member association, with representatives of would-be members Burma, Cambodia and Laos, are due to meet between October 24 and 26 in Jakarta to discuss the draft.

It is the first time all 10 Southeast Asian countries, envisioned as ASEAN by its founding fathers, will have got together to work on the draft since the association decided to have such a treaty in the early 1970s.

At the height of the Cold War, ASEAN's efforts were blocked by US concerns over free passage of nuclear-powered vessels.

The association, spearheaded by Indonesia, now hopes to launch the treaty together with the three would-be members during the summit of its leaders in Bangkok in December.

In a recent interview with the BANGKOK POST, M.R. Kasemsamoson said Thailand supported the principle of the treaty.

Defense Minister Discusses Military Plans

*BK1710132195 Bangkok NAO NA in Thai
16 Oct 95 p 5*

["Exclusive interview" with Defense Minister General Chawalit Yongchaiyut by an unidentified reporter; place and date not given]

[FBIS Translated Text] [Chawalit] I want a small-sized armed forces. They must be well-versed in national defense and, particularly modernized in term of equipment and operations.

The main purpose of modernizing the armed forces is for national defense. It is necessary to further develop the armed forces in all aspects including their economic potential.

The point is that we, in principle, want the armed forces to truly contribute to national development which

must be carried out at two levels. They will engage in implementing major rural development projects and more specific tasks to serve the country.

The development of the armed forces must include the development of personnel and the people. There should be no confusion on this. Some people might wonder how the armed forces can help in social development. The way is for military personnel to be sent out to educate the people. This is necessary.

[Reporter] What is the procedure of the development of the armed forces?

[Chawalit] We must begin by educating military personnel who must later relay the correct understanding to the people. For example, we have a policy to recruit men for the armed forces from applications and not conscription. This will benefit the country tremendously and be implemented right after we get government approval. Our request for the payment of per diem to soldiers has been submitted to the Budget Bureau for consideration.

Up to this point, our goal is to increase the salaries of military personnel. We believe that various policies will attract more people to join the military. It is a five-year program. Able men of 18 to 22 years of age can apply to join the armed forces, where they will undergo military training only in the first year. After five years, we can start the force reduction.

The next step is for the campaign to promote the idea that every Thai male must serve in the military. This means that the armed forces are places the people can go to to seek knowledge and expertise. We can say that the armed forces are involved in human resources development. If everything proceeds according to our plan, we expect to recruit approximately 3.1 million men.

[Reporter] What about the process of weapons procurement?

[Chawalit] We must make 10-year plans for the procurement of war equipment and arms. No matter how expensive they might be, we must buy them. However, we have to follow some criteria. For example, 1) They must be necessary for our work plan. 2) They must serve national interests. 3) Their value must not exceed our budget. We have no intention to seek additional funds from the government nor do we want to take the money supposedly earmarked for other government agencies. Any purchase plan that does not meet these requirements will have to be shelved.

The purchase plan is always considered thoroughly. Normally, we will get only 100 billion baht, whereas

our request is for as high as 800 billion baht. Our budget is very small compared to countries like Japan.

If we succeed in implementing our force reduction plan, our normal budget requirements will decline. The country can use the money it saves to develop human resources.

We will make efforts to develop and increase our military might. I made a proposal 10 years ago for our armed forces to have their own satellite. Unfortunately, my successors could not care less. The armed forces of other countries are now very advanced in satellite technology. The investment is not very high, but we will reap a lot of benefits.

Our armed forces must keep up with those of other countries. Whenever there is lightning, our telecommunication system is paralyzed. We can never become the telecommunication center if we do not further develop our systems.

[Reporter] Can you tell us about the use of armed forces for national development?

[Chawalit] This is a very important issue. The armed forces have done a lot in this regard. I remember we set up the development division to help develop a seaport.

The armed forces can also be helpful in economic development. For example, the U Taphao dockyard was built by the Navy.

We have been suffering from current account deficits. For instance, this year the figure has already reached 100 billion baht. We have to hire foreign ships to transport crude oil for the Petroleum Authority of Thailand. Imagine how much money we have allowed to flow out of the country. The solution in this case is that we must use our own maritime fleet.

As a matter of fact, our maritime fleet was conceived 50 years ago. Unfortunately, it has never grown. I do not want to go into the details for fear of offending other people.

The fleet can be very useful to the country. More than 90 percent of our import and export cargo are carried by foreign ships. We have plenty of manpower to operate our own fleet.

We have so many competent naval officers who simply stay home to take care of their grandchildren after their retirement at 60 years of age. These people have good brains. They can still work for the country and serve as captains of cargo ships.

More importantly, it is also related to our national security. A maritime fleet can benefit our foreign trade significantly. I sincerely want to help the government

in this regard. I am confident that we can get our investment back within five years.

I want the armed forces to work for the development of the country. You must remember that the armed forces can do anything. Some people are not aware of this. I will explain this to the people so that I can start working.

[Reporter] What about the submarine controversy?

[Chawalit] I think they do not know anything about submarines. As a matter of fact, poor countries should have submarines. We do not need a submarine to operate under the shallow waters of the Gulf of Thailand. The submarines we want are intended for use outside. Not many people know this. I say we should not talk about their business. Please take note that submarines are not only for rich nations.

As a matter of fact, we should think about the exploitation of natural resources in the Gulf of Thailand because they are so plentiful and concerns our national security.

[Reporter] Certain groups are reportedly taking commissions from the various development projects you have initiated.

[Chawalit] I have nothing to do with that. That is their business. Do not tell me about it. I will certainly take action against them. I have been on full alert, but it is rather difficult to detect it. I believe if the boss is not involved, his subordinates will not dare make any move.

[Reporter] It is not easy to conduct a surgical operation on the armed force.

[Chawalit] I know that is not an easy task. The idea has long prevailed in my mind. I keep asking myself how much I can do. Well, it depends on how long I can remain in this position. Up to this moment, I still do not know how long I will be in this place. However, fewer criticisms can certainly prolong my time.

As a matter of fact, a surgical operation on the armed forces is not difficult, either. The only thing I must keep in mind is that I must avoid disheartening them. The problem is that I will not be able to do what I say today if I have to leave the post tomorrow. I believe that my plan will work if we are patient enough.

If you ask when I will start the operation, I say immediately. I am figuring out how to avoid offending those who are leaving.

[Reporter] Some people say that your numerous projects are illusory and a daydream.

[Chawalit] No, they cannot tell me which ones are impractical. We talked about this issue 10 years ago but not seriously. We have been talking about the subway

system since 1975 before many countries. Nothing happened.

We talked about the second airport since 1961. We have not done anything about it yet. I should not be criticized if I want to stop talking and dreaming.

[Reporter] Will the site of the second international airport be moved?

[Chawalit] We should not say anything now. Give them a chance to decide. The important point is that Thailand must not let the opportunity to become the aviation center get away.

The project must be carried out even though we have to invest hundreds of billion baht more. Don Muang Airport cannot cope with traffic in the future. At present, it is capable of receiving 17 million passengers. The number will increase to 30 million in the next seven years. We must expand the airport. First we must move the office of the Airport Authority out of the compound and later decide whether we want move the airport or not.

[Reporter] What about the policy regarding the Military Service Commission?

[Chawalit] It is not a policy. The Military Service Commission is not a new thing.

Although the objective of the commission is for improvement, many people disagree with its concept.

Meanwhile, some people believe that the commission cannot do the job. They prefer the Defense Council because the defense minister can use the power. This means the defense minister can dictate anything. We want clear guidelines to follow. At this point, let us try to find the best solution.

Don't you think it is a good idea to draw a line separating political appointees from permanent officials of the government? I do not mean total separation. On the contrary, it will help bind them even closer together because each side will know exactly where its limits are.

Observers fear that my successor might again interfere [in the military reshuffle]. We have to keep a close watch on this matter. I believe that there will not be any more interference.

BOT Approves Issue of Foreign Exchange Notes

*BK1810081395 Bangkok BUSINESS DAY in English
18 Oct 95 p F1*

[Report by Staff Writer Oranan Pawiwan]

[FBIS Transcribed Text] The Bank of Thailand (BOT) has given the go-ahead for finance companies along

with finance and securities firms to issue floating-rate notes (FRN) and floating-rate certificates of deposit (FRCD) in foreign currencies, according to BOT Deputy Governor Roengchai Marakanon.

Both FRNs — a type of bill of exchange — and FRCDs must have a maturity of not less than one year and they can only be sold abroad or through firms qualified to trade in currencies, Mr Roengchai said.

The objective of allowing finance companies to launch both FRNs and FRCDs in foreign currencies is to allow them to raise funds in other currencies in order to enlarge their businesses.

The deputy governor said the BOT has not yet granted permission for the instruments to be issued in baht because of the lack of savings in Thailand.

The Bank of Thailand wants to encourage more bank savings, rather than investment in other instruments.

Mr Roengchai confirmed that the instruments would be subject to the conditions and rules of the BOT on borrowing and depositing from people, including internal control systems of the companies' FRNs and FRCDs.

BOT approval would create more liquidity for both finance firms and finance and securities institutions because they will have more options in fund raising to meet their credit extension needs, said Union Finance Managing Director Bawonsi Sombunpanya.

Dr Bawonsi said the BOT previously endorsed on a case-by-case the issue of bills of exchange in foreign currencies.

Bills of exchange have a shorter maturity and are more volatile than FRNs or FRCDs, although they tend to have lower interest rates.

They are popular with finance firms wishing to borrow while FRCDs are favored by both life and non-life insurance companies as an investment, she explained.

Floating-rate notes and certificates of deposit are popular methods of raising capital among many Western financial institutions and banks.

The interest rate carried by the paper is usually pegged to a benchmark rate such as the London Interbank Offered Rate (Libor) or Singapore Interbank Offered Rate (Sibor), with an additional margin above that rate to? for the additional risk to investors of buying notes from a company.

The floating-rate nature of the notes or certificates means institutions can match their interest payments

on them to floating-rates of interest received from borrowers on floating-rate loans.

By linking to the prevailing market interest rate, the issuer can take advantage of the changing rates.

Cabinet Approves Foreign Insurance Branches

*BK1810083395 Bangkok BANGKOK POST
in English 18 Oct 95 p 17*

[Unattributed report]

[FBIS Transcribed Text] A Commerce Ministry proposal to let foreign life and general insurance firms open branches in Thailand has won Cabinet backing. But firms must comply with the rules of the 1992 Life Insurance and General Insurance Acts.

The endorsement is in line with the liberalisation of the insurance industry under the General Agreement on Trade and Services.

Deputy government spokesman Pongthep Thepkanchana said foreign general insurance firms can seek licences to open branches to operate only general insurance business in Thailand.

They must have been in the general insurance business for more than three years before entering the Thai market.

Sophon Detthewaphon, managing director of Indara Insurance, said the local insurance industry must adjust to cope with competition.

This could take the form of bigger shareholdings by foreign investors and cooperation in the development of business.

But he said Indara Insurance has no need to rely on foreign shareholders, as Thai executives are "fully capable", although he conceded that foreign firm AIA has been very successful because of its long presence here and the credibility it had built up in the market.

He said the Commerce Ministry's liberalisation policy will attract investors from a variety of businesses.

The shareholding structure of insurance companies might be changed from the previous situation, where only commercial banks were involved, to other businesses.

The worry is that those applying for licences might lack experience and the ministry would have to take charge if there was trouble.

The ministry has had to salvage a number of troubled insurance firms, he said.

Vietnam

Radio Hails Increasing Cooperation With U.S.

*BK1810055995 Hanoi Voice of Vietnam in English
1000 GMT 16 Oct 95*

[Station commentary]

[FBIS Transcribed Text] Two months after the U.S. President declared full normalization of relations with Vietnam, the number of business delegations exchanged between the two countries has increased. Very recently, American business groups and specialists in aviation, customs, and health care visited Vietnam to promote cooperation.

The U.S. (?civil) aviation department sent experts who, in cooperation with their Vietnamese counterparts, held a training course on aviation security for about 100 staff from Noi Bai Airport in the north and Tan Son Nhat Airport in Ho Chi Minh City. The course provided essential knowledge on aviation security according to regulations of the International Civil Aviation Organization, customs, luggage and goods checking, and security inspection.

In health care, the General Electric Pacific Company and the Vietnam Medical Equipment General Company recently signed a contract on a joint venture to produce medical domestic equipment in Vietnam. The joint venture has an initial investment capital of \$2.1 million. The U.S. side will contribute 70 percent over 30 years. This was the first decision by a company with high technology to invest in Vietnam since the lifting of the U.S. trade embargo. General Director of the Joint Venture Mr. Nguyen Hao said:

[Begin Nguyen Hao recording] GE medical systems is [the] global leader in medical equipment industry. We are here today to stay and with the long-term commitment we intend to help Vietnam to upgrade the health care system as well as diagnostic imaging technology. However, to form this joint venture company with Medico [which] belongs to [the] Ministry of Health, our purpose is to transfer the high technology from GE to Vietnam, training the engineers in terms of modern technology [with] top quality, provide job opportunities for local population. The unique of the joint venture company is that GE would bring to Vietnam the cross culture of the best of the world. This joint venture company will absorb the best of know-how from America which is technology leader in market and from Japan which is manufacturing process with excellence. Other advantage of the joint venture company is [it] will be able to provide the service directly from local operation to customers include labor and replacement parts. That is big difference from other corporations. We are only

using the resource from the [word indistinct] or from other countries like Hong Kong or Singapore. We want Vietnamese helping Vietnam and Vietnamese buying Vietnam products carry American standards and quality. We also hope that Vietnamese and government will give us the strongest support for GE. We are committed to be here with the people in Vietnam and we will venture into other fields rather than health care only. [end recording]

Mr. Nguyen Hao is general director of the joint venture between the American General Electric Pacific Company and the Vietnam Medical Equipment General Company.

In customs, American experts introduced to their Vietnamese colleagues the knowledge, skill, and measures in anti-drug procedures. Speaking to a correspondent from the national daily NHAN DAN, Edward Chart, an American customs expert, said that though relations between the two customs services have not yet been set up, his working visit to Vietnam proved that the two sides were ready for closer cooperation.

Party Central Committee Delegation Visits China

BK1810083295 Hanoi VNA in English
0612 GMT 18 Oct 95

[FBIS Transcribed Text] Hanoi VNA Oct. 18—A Vietnamese party delegation led by Lo Van Puon, member of the Communist Party of Vietnam Central Committee and secretary of Tuyen Quang Province's party committee, paid a working visit to China from Oct. 9-17 at the invitation of the Communist Party of China Central Committee (CPCCC).

While there, the delegation had working session with Mr. Li Shuzheng, CPCCC alternate member and head of the International Liaison Department. It was also received by Wu Xueqian, vice chairman of the Chinese People's Political Consultative Conference, who introduced the delegation to China's current reforms and its experience in helping poor families in remote and highland regions to develop production as well as party building work. Mr. Wu Xueqian expressed his wish for stronger friendship and multi-faceted cooperation between the two parties and peoples of China and Vietnam.

The delegation visited Shanghai City and Guangdong Province.

Delegation Attends Interparliamentary Meeting

BK1710162195 Hanoi VNA in English
1601 GMT 17 Oct 95

[FBIS Transcribed Text] Hanoi VNA Oct. 7. — A delegation of the Vietnam National Assembly (NA) led by Mr Hoang Bich Son, member of the NA Standing Committee and head of its External Relations Commission, has attended the 94th session of the Inter-Parliamentary Union (IPU) held in Bucharest (Romania) on Oct.8-14.

Addressing the meeting, Mr Son said that after Vietnam's joining ASEAN, Vietnam's National Assembly was officially admitted as full member of the ASEAN Inter-Parliamentary Organisation (AIPO). With the spirit Vietnam wishes to befriend, all countries in the world community, striving for peace, and making contributions to the common cause of building South-east Asia into a region of non-nuclear weapon, peace, friendship, stability and cooperation for prosperity and development in the region as well as the world at large.

While in Romania, the Vietnamese delegation paid a courtesy visit to President of Romanian Senate Mr. Oliviu Gherman, who warmly welcomed Vietnam's achievements in its renovation cause. He also affirmed that with their similarities in history and economy and potentials of multi-sided cooperation, the two countries should continue to further develop their cooperative relations on the basis of the traditional friendship between the two nations.

President Departs After 6-Day Cuba Visit

BK1710155995 Hanoi VNA in English
1541 GMT 17 Oct 95

[FBIS Transcribed Text] Hanoi VNA Oct.17 — State President Le Duc Anh, his wife and entourage left Havana this morning ending their a six-day official friendship visit to Cuba.

President Anh and his party were seen off at the Jose Marti International Airport by Mr. Raul Castro, second secretary of the Central Committee of the Communist Party of Cuba and acting president of the Council of State and many Cuban party and state officials.

While there, Mr. Anh and his Cuban counterpart Mr. Fidel Castro Ruz held talks during which the two sides affirmed and expressed their belief that the fraternal friendship and bilateral cooperation as well as the traditional solidarity between Vietnam and Cuba would be constantly consolidated and developed.

On this occasion, an agreement on investment promotion and protection between the two countries was

signed. The Vietnamese state leader also toured some establishments of science and technology, and production in Havana.

Cambodian Party Delegation Concludes Visit

*BK1710155295 Hanoi VNA in English
1541 GMT 17 Oct 95*

[FBIS Transcribed Text] Hanoi VNA Oct. 17. — The visiting delegation of the Cambodian People's Party (CPP) led by Nguon Nhel, member of the standing committee of the CPP Central Committee concluded yesterday its week-long visit to Vietnam from Oct. 10.

While in Vietnam, the Cambodian delegation had working sessions with senior officials of the party committees in Hanoi, Ho Chi Minh City, the port city of Haiphong, the southern coastal province of Ba Ria-Vung Tau, and the Vietnam Union of Friendship Associations. They also called at a number of economic, and cultural establishments in these localities.

National Assembly Session Continues Activities

Communique No. 12 Issued

*BK1710155195 Hanoi Voice of Vietnam Network
in Vietnamese 1430 GMT 17 Oct 95*

[Communique No. 12 issued by the Vietnamese National Assembly in Hanoi on 17 October]

[FBIS Translated Text] The National Assembly held a plenary session at the conference hall today under the chairmanship of National Assembly Vice Chairman Nguyen Ha Phan to discuss the implementation of the 1995 tasks and the budget, the orientation and work for 1996, and administrative reform.

A total of 24 deputies expressed their views on various issues. The deputies continued their discussion on the implementation of the 1995 socioeconomic tasks, affirmed achievements, and pointed out the remaining difficulties. Many deputies discussed the orientations, tasks, and key measures for the 1996 plans surrounding the following problems: Issues related to the budget allocation, collection of state revenue, and the final state budget; the authority of provinces in allocating the budget and collecting revenue; the policy on loans, granting loans for production development, loans for programs to fight hunger and poverty and for the 327 project; measures to mobilize loans such as the establishment of funds to build infrastructure in key areas; the state-run enterprises share holding system; setting the prices of houses; the policy on investment and improving the economy; priority in infrastructure development; building the processing industry; and developing transportation, water conservancy projects, and the rural electric

power network. They also discussed issues related to the financial and pricing problems, the policy on and the adjustment of prices, stabilizing the market prices of essential goods, and the establishment of reserve funds for circulation when warranted. The deputies further discussed issues related to the cultural, social, national defense, and security domains; measures to resolve the unemployment problem; the policy toward those who have rendered meritorious services to the state; policy on cadres and ethnic minorities in the mountain region; measures to suppress corruption, smuggling, and social vices; ways to improve education, strengthen dissemination of laws, and enhance national defense education for all people; measures to improve administrative reform and procedures, training and retraining the contingent of civil servants; and the formulation of regulations on recruiting state personnel.

Addressing the session, National Assembly Vice Chairman Nguyen Ha Phan stressed a number of issues that required further discussion at the next working sessions.

The National Assembly will continue its work tomorrow, 18 October, at the conference hall.

The issue of market prices this year was also addressed by many deputies. They held that from the beginning of this year until the end of September, the price index rose 11.7 percent due to poor state control and management. Especially, market prices were unstable due to illegal rice smuggling and fluctuating cement prices. The government needs to introduce measures to strictly deal with state organs that do not carry out their tasks properly. On this issue, Deputy Pham Thi Son of Ba Ria-Vung Tau suggested:

[Begin Pham Thi Son recording] Generally speaking, the recent rise in prices — especially in the last five months — has greatly affected and raised the concern of the public, including cadres and retired officials. I suggest that the government reexamine its management and find out who has been responsible. In the last five months, the prices of some commodities have increased a lot, greatly affecting our price index. We should have been able to control some of them such as the cement price, which has become a hot issue. We have to find out why. Apart from cement, the prices of other goods and services have increased by about 12 percent according to estimates in the government report. Why is that? I think that the National Assembly should reconsider this issue, and the government must reconsider its measures to improve the situation. [end recording]

Also at yesterday's afternoon session, some deputies analyzed some shortcomings of ministries and sectors in managing production, business, and import-export activities. They also stated there area urgent problems in

education, health care, and employment. With regards to education, schools continue to fall in standard. Despite the increasing contribution of parents, the quality of education has not improved.

Referring to wage reform, Deputy Nguyen Thanh Phong in Dong Thap and other deputies held that since its implementation, the price index has increased 30 percent and that the current minimum salary of 120,000 dong a month is unreasonable. The National Assembly needs to work for more gradual reform in 1996. On administrative reform, Deputy Nguyen Dinh Chung of Hanoi remarked:

[Begin Nguyen Dinh Chung recording] We welcome government measures and measures to reform administrative procedures and reorganize the state mechanism to increase the efficiency of officials and reduce public embarrassment. However, results have been poor. The number of administrative staff is still too high. In the last two years, the number of state officials has not decreased but increased by dozens of thousands. If the number is cut, they will be automatically transferred to lower levels. If ministries are combined together, corporations, general departments, and so forth will be formed. The bulky state administration is a cause of embarrassment, of bureaucracy, and hindrance in all work areas. The salary of the state administration takes up a high percentage of the total budget. In reality, however, the income of state officials is very low and does not match the demands of living expenses. This causes negativism and corruption. I suggest that the government quickly introduce civil service regulations so that able government officials can be selected to work efficiently. They will receive a salary that is decent enough for them to live on, so that they can offer their best abilities. [end recording]

Dear friends, on 17 October, the National Assembly will continue to discuss issues relating to the 1995 state budget and orientations and tasks for 1996 at the Ba Dinh conference hall.

16 Oct Proceedings Reported

*BK1710142095 Hanoi Voice of Vietnam Network
in Vietnamese 2300 GMT 16 Oct 95*

[Report by Quang Huong]

[FBIS Translated Text] Dear friends: Most deputies unanimously agreed with the government report on the evaluation of the socioeconomic achievements in 1995. Practically, in 1995, we carried out many important socioeconomic tasks, achieved a relatively high rate of economic development, maintained a stable political situation, scored fine results in external affairs, and continued to improve the people's spiritual and material

life. Speaking on this issue, Comrade Dau Hong Tan of Nghe An Province said:

[Begin Dau Hong Tan recording] I totally agree with the government report on the evaluation on our national socioeconomic, national defense, and security situation in the past years. Our country continued with the renovation last year and developed in all areas of socioeconomic, security, and national defense and recorded many great achievements. [end recording]

On the basis of the evaluation of recorded socioeconomic achievements in 1995, the deputies unanimously agreed with the main socioeconomic development targets in the government report. These include the important economic targets that need to be fulfilled in 1996 such as the GDP growth rate of 9.5-10 percent and increasing targets for industrial and agricultural production, tax collection, and budget spending. A deputy held that we must strive to achieve these targets because they will form a basis for the development of our economy and prevent us from lagging behind, especially since we are now an ASEAN member. In addition to the evaluations of the achievements in 1995 and the main economic development targets for 1996, the deputies also offered practical analyses on current difficulties in implementing the 1995 state budget and suggested measures to satisfactorily carry out the 1996 tasks.

The issue of budget collection and spending was discussed by many deputies. They held that we have allowed too much losses in budget collection, especially in tax evasion. On this issue, Comrade Bui Danh Tam of Kien Giang said:

[Begin Bui Danh Tam recording] Tax collection of non-state enterprises was very limited despite the increased revenue enjoyed by non-state enterprises, as presented in the 1994 and 1995 government reports. This is a great source of tax loss. While the non-state sector increased 24 percent this year, tax collection only rose by 9.1 percent. Therefore, the level of tax losses is very great. In 1994, the number of tax evasion cases in this sector accounted for 10 percent of the total cases and three percent of the total tax loss. Consequently, the tax losses from this sector is massive. [Words indistinct] [end recording]

Some deputies suggested that local authorities be allowed to play a more active role in managing their local budgets for five years. On this subject, Deputy Nguyen Duc Kien of Hai Hung said:

[Begin Nguyen Duc Kien recording] In budget management, we highly agree with the tasks to stabilize budget collection and spending for a certain period and the

principles to allow the use of funds raised from the over-fulfillment of tax collection targets by local authorities. However, to stabilize budget collection and spending for some years, we must quickly introduce a national finance policy. As regard to the over-fulfillment of tax collection, we must mainly use these funds for investment in infrastructure and reserve a part of it for the next state budget. We cannot spend all of it on infrastructure investment. [end recording]

17 Oct Proceedings Reported

BK1710135095 Hanoi Voice of Vietnam Network in Vietnamese 1100 GMT 17 Oct 95

[FBIS Translated Text] Today is the 13th working day of the Ninth National Assembly's eighth session. National Assembly deputies attended a plenary meeting at the conference hall to discuss the implementation of the 1995 socioeconomic tasks and the 1996 state budget. National Assembly Vice Chairman Nguyen Ha Phan chaired the meeting.

The National Assembly heard 22 deputies express their ideas in support of the government report. They also analyzed achievements recorded in 1995, and the five key measures set to fulfill the 1996 targets.

The deputies spent time debating the 1995-96 state budget plan. Many said that the 1995 deficit was quite large, smuggling had not declined and even showed signs of increasing, commodity prices were high, budget for society was minimal, and management apparatuses were not effective. Other deputies called for efforts to clearly define the function and authority at the district level for allocating budget. Some requested the government to review and rearrange state-run enterprises, improve the administrative machinery, streamline the number of agencies, settle land and housing conflicts, and review the number of cadres in surplus.

Many deputies raised the issue of recruiting cadres based on their degrees and certificates rather than their quality and capability.

In addition to issues related to the state budget and administrative reform, the deputies also discussed various social issues. Many deputies warned that while we are proud of our economic achievements in 1995 we should realize that social vices are on the rise. As a result, the National Assembly and the government should take drastic action against negativism to effectively suppress social vices in 1996.

Tomorrow, 18 October, National Assembly deputies will continue their discussions at the conference hall on issues related to 1996 tasks, the 1995-96 state budget, and administrative reform.

Chairman Discusses 1996 Tasks

BK1810044195 Hanoi Vietnam Television Network in Vietnamese 1215 GMT 13 Oct 95

["Excerpt" of report by National Assembly Chairman Nong Duc Manh to the Ninth National Assembly session in Hanoi on 12 October]

[FBIS Translated Excerpt] [passage omitted on report on National Assembly delegates discussing administrative reforms] As we announced before, National Assembly Chairman Nong Duc Manh—on behalf of the National Assembly Standing Committee [NASC]—delivered a report at the 12 October afternoon session on the implementation of NASC tasks in 1995 and on NASC goals and tasks in 1996.

In 1995, the NASC has continued updating its operational methods and style, thus enhancing the efficiency of all its tasks in the areas of legislation writing, supervision, external relations, etc.

After reviewing the NASC's achievements and analyzing its shortcomings and the measures to rectify them, Chairman Nong Duc Manh discussed the NASC's tasks in 1996. He said:

[Begin Nong Duc Manh recording] The year 1996 will be the first in the 1996-2000 period—the period of a new and higher development stage in our country in the areas of industrialization and modernization. In light of the important advantages and challenges that require all party members and people to work harder to obtain greater improvements in all areas, the NASC will focus on the following main tasks:

1. Efforts will be made to concentrate on the legislation writing task and the institutionalization of all party and state policies—especially in key areas—in order to lay a firm foundation for further renovation, socioeconomic development, national defense, social security, and the expansion of external relations. In this direction, the NASC will increase its guidance from now through the end of our term on the implementation of the National Assembly resolution on the legislation writing program. The program will be submitted to the National Assembly during this session.

While trying to prepare and promulgate all necessary economic legislation—especially on expanding external economic activity, the budget, and reform of the taxation system—we will concentrate on legislation necessary for the administrative reform program, in which the two laws on the organization of people's councils will be completed. At the same time, we will consider the amendment of and supplement to a number of existing laws and regulations with provisions that are no longer

suitable in the new period or have not been formalized enough, especially in the area of land use and land management.

As its contribution to the legislation writing program, the NASC will guide a review of the National Assembly's legislative task from the past to the present and work out required reforms of the legislation writing process, a schedule for the program, a contingent of legal personnel, and other issues related to documentation.

2. We will strengthen and reform the supervisory role in order to heighten the effectiveness of the National Assembly's supervisory duties. Of the substance of supervisory work, we will concentrate on the important areas of: Revenue collection; expenditures, allocations, and liquidation of budget funds; import-export balances; land use and land management; thrift practices; anti-corruption and antimuggling efforts; administrative reforms; law enforcement, especially of the land laws and civil code; and handling of people's complaints and denunciations, and the situation of an endless referral loop for people's complaints and petitions in state offices, whereby responsible agencies or cadres try to avoid their tasks or shift the burden to other agencies without any consideration of the people's suffering and grief. This is a matter that requires our utmost attention.

To fulfill our supervisory role, we should listen carefully to the reports by delegations sent to the localities by the National Assembly and to local National Assembly delegates. In this area, we should also heighten the role of the National Assembly's Nationalities Council and other committees.

3. We will further develop our external relation activities. Since there are more and more foreign parliament delegations that wish to visit us to exchange experiences, the NASC will strive to refine the content of meetings with foreign delegations so that we will reap better results from the visits. In order to ensure our effective participation in international activities, the NASC will also work out a plan to equip our delegates with the knowledge required in areas related to the forum and organizations in which we participate.

4. We will continue to update the National Assembly's activities. On the basis of the 1992 Constitution, we will continue to update our activities and prepare for a final review of the Ninth National Assembly's term and an evaluation of achievements and shortcomings, in order to pass on this organizational and operational experience to the National Assembly's next term. We will focus on the finalization of the two laws on organization of people's councils and committees, thus fulfilling the NASC's role to the people's councils at all levels.

To be able to fulfill the aforementioned tasks, the NASC will continue to: update its operational methods; heighten individual and collective responsibilities; work out the logical division of tasks; and strengthen working relations with government agencies and organizations within the legal requirements on authority and responsibility.

Dear National Assembly delegates, the renovation process chosen by our party, our Uncle Ho, and our people challenges us to fulfill many more tasks, while the time remaining in the Ninth National Assembly's term is limited. The responsibility of the National Assembly, in general, and of the NASC, in particular, to the country and the people requires us to work harder and make more contributions. For our part, in addition to the NASC's efforts, I wholeheartedly suggest that all National Assembly delegates and committees, government agencies, and all other relevant agencies fully cooperate with the NASC, thus helping us to fulfill the duties and practices the authorities have stipulated by law in order to be worthy of the trust of the National Assembly and the people.

My sincere thanks to all National Assembly delegates. [end recording] [passage omitted on National Assembly's working schedule for the next day]

Article Views Economic, Trade Ties With U.S.

*BK1710114995 Hanoi THOI BAO TAI CHINH
in Vietnamese 28 Sep 95 pp 3, 11*

[Article by Le Ba Thuyen: "Step Up the Vietnam-U.S. Economic and Trade Relations"]

[FBIS Translated Text] Following President Bill Clinton's announcement on the United States' normalization of relations with Vietnam, U.S. Secretary of State Warren Christopher paid an official visit to Hanoi to sign various documents affirming the full diplomatic relations between the two nations, thereby paving the way for negotiations between high-level Vietnam-U.S. delegations on important issues related to bilateral relations. In the days ahead, the Washington administration will assign a delegation to Hanoi to start negotiations on trade agreement between the two countries, including the issue of granting Vietnam the most favored nation status.

The Establishment of Diplomatic Relations Paves the Way for Normalizing Economic Relations

Vietnam and the United States had to spend four and a half years to achieve full diplomatic relations to start negotiations for bilateral economic and trade ties.

The establishment of economic and trade relations between the two countries is essential for the interests

of both sides. For Washington, the effort to accelerate the implementation of U.S. economic rehabilitation program is the most significant task in its new global strategy, in which foreign trade is the key factor. The U.S. leaders consider Vietnam as an important country in the process of implementing the U.S. foreign trade policy in Southeast Asia and the Asia-Pacific region.

In his announcement on 11 July 1995, President Bill Clinton stressed: "We will begin normalizing our trade relations with Vietnam, a country whose economy is enjoying freedom and is being integrated into the Asia-Pacific region. Our policy is to implement appropriate U.S. Government programs to develop our trade relations with Vietnam in compliance with the U.S. law." The Voice of America on 7 August 1995 quoted U.S. Secretary of State Warren Christopher as saying that "Today the war is over, the United States considers the Vietnam war as history and Vietnam is now in total charge of its destiny. The United States considers Vietnam as a country with great potentials in trade and diplomacy. The U.S. aim is to develop full economic relations with Vietnam, a country which is gaining an appropriate position in the community of Southeast Asian nations, where development and prosperity are expanding." Mr. Christopher pointed out that "In the future, Vietnam will be economically strong and the United States and Vietnam will promote trade and investment relations in the interest of both sides."

In the current stage of active economic and trade globalization, interdependence among nations is increasingly demanding. In implementing its new foreign economic policy, the United States is paying attention to Vietnam, which has an enormous contingent of skilled and educated workers who accept cheap labor, boasts abundant natural resources and diversified markets, and is part of a region in which vigorous economy development is making the latter a leader in the race into the 21st century. Winston Lord, assistant to the U.S. secretary of state for Asia-Pacific affairs said: "The normalization of relations between the United States and Vietnam will bring about mutual economic interests while increasing U.S. leverage in the struggle against drug addiction and in maintaining regional security." Mr. William Workman, a leader of the U.S. Chamber of Commerce said: "Vietnam has great potentials in various domains, just like Japan four decades ago; the only significant difference is that Vietnam has oil deposits." Various Western mass media agencies have reported on U.S. businessmen's concern over the slowness of the U.S. moves over entering the promising Vietnamese markets. The French radio RFI said: U.S. businessmen have showed their impatience over Vietnam's increasingly significant economic role, which is recognized by countries in the

Southeast Asian region. U.S. business circles earnestly wish to create conditions to facilitate entrance into the Vietnamese markets. One of the most favorable conditions is the normalization of relations with Vietnam and then the creation of the essential prerequisite of granting Vietnam the most favored nation status.

The Bilateral Trade Agreement and the Most-Favored Nation Status

Our country is ready to normalize economic and trade relations with the United States on the principle of mutual benefit. As for the U.S. part, the Washington administration must carry out this normalization in line with the preconditions set out in the U.S. law.

It is most important that negotiations be conducted on the signing of a bilateral trade agreement that will cover the issue of most-favored nation (MFN) status. As member countries of the General Agreement on Tariff Tax (GATT) and the World Trade Organization (WTO) — of which the United States is a member — have reserved the MFN status for one another, they are obviously entitled to that status in doing trade business with the United States. Because Vietnam is still not a member of GATT or WTO, the MFN status granted by one country to another must be negotiated and stated in a bilateral Vietnam-U.S. trade agreement. The most-favored nation status concerns the tariff tax that partner countries reserve for one another and is a preferential system in which tariff and other tax exemptions constitute the most important thing. With the MFN status, those entitled to it will be favored when it comes to paying tariff tax. According to the U.S. law, the U.S.-Vietnam trade agreement must meet the preconditions set forth in the U.S. trade law and must be passed by the two U.S. congressional institutions. Such a bilateral trade agreement will have a three-year validity and can be renewable many times, each time not exceeding three years, provided that both sides continue to comply with the conditions set forth in the agreement.

According to a document made public by the U.S. presidential office on 11 July 1995, a number of issues must be resolved before the MFN status is granted and the normalization of trade relations between the two countries is carried out in accordance with the Generalized Systems of Preferences (GSP). The U.S. trade law sets forth a number of preconditions to be met by a developing country before it is entitled to the GSP system, including among other things respect for the internationally-recognized rights of the laboring people.

As for the U.S. companies and businessmen that are eager to invest abroad and engage in trade cooperation in general and in Vietnam in particular, they must have

the support and guarantee of a private foreign bank (called the Eximbank) and the Organization of Private Investment Companies (OPIC). Normally, restrictions on human rights are not applicable to the loans and loan guarantees provided by the Eximbank. But these may also be used as a pretext by the United States to deny loans or loan guarantees to be provided by the Eximbank. This is aimed at creating pressure on its trade partners. The U.S. President, however, is empowered with the right to declare that it is necessary to reject this pretext of meeting the national interest and to make it possible for the promotion of the U.S. policy in this domain. In addition, the Eximbank is not allowed to provide loans and other kinds of credits to Marxist-Leninist countries. The U.S. President, however, is empowered with the right to declare that this kind of financing is in line with the "national interest." He can also veto any ban on financing on a case-by-case and step-by-step basis.

As for the U.S. companies and businessmen eager to do business with Vietnam, the approval of the OPIC and the Trade Development Agency (TDA) for direct-credit loans and loan guarantees is very important. This helps them overcome difficulties and impediments in business. Without this guarantee and support, U.S. companies and businessmen investing or doing business in Vietnam will have difficulty competing with other foreign companies in the Vietnamese market. The U.S. foreign aid law stipulates that the OPIC can only provide insurance or renewed insurance and a guarantee or financing for an investment project in a partner country if the government of that host country approves and complies with the internationally-recognized laws and regulations on the broadening of the rights of workers. On the other hand, the U.S. President is empowered with the right to overrule this clause if he can demonstrate that his action is taken for the sake of the national interest.

To date, the United States has granted the most-favored-nation [MFN] status to some countries which are its economic and trade partners. The exchange of MFN status between the United States and Vietnam is essential because it serves the interests of both sides, especially in accelerating and expanding trade. Without MFN status, Vietnam's exports to the U.S. are subjected to higher taxes compared to those from countries with MFN status. As a result, Vietnamese products cannot compete with goods from these countries though they are of the same type and quality. This will lead to a shortfall in revenue for Vietnam when it imports U.S. goods. It also causes difficulties and losses to U.S. businessmen in Vietnam as they are not entitled to receive direct loans, credit, insurance, and wholesale

authority from U.S. Government agencies. Thus, it is hard for U.S. goods to compete against those from countries with MFN status in the Vietnamese market. At present, world trade ties depend chiefly on the MFN status, which is considered a lever in modern trade agreements between nations.

Many Remaining Tasks That Should Be Carried Out

In the past 19 months since the lifting of the U.S. embargo against Vietnam, trade and economic ties between the two countries have increased remarkably. Starting from one small-scale project, the U.S. now has a total investment of \$700 million, thus becoming one of the 10 leading investors in Vietnam. The number of U.S. companies with representative offices here has increased from 55 in late 1994 to 115 in mid-1995. The companies include giants such as IBM, Exxon, Kodak, and big banks such as the Bank of America. In 1994, the U.S. imported goods worth more than \$50 million from Vietnam and exported goods worth \$172.2 million to Vietnam. However, these were only initial results.

In the near future, when the two countries sign a trade agreement including one on MFN, it is certain that U.S. investments in Vietnam and trade will increase greatly. Many U.S. corporations have plans for major projects in Vietnam to catch up with the Japanese and other Western European firms which had entered Vietnam earlier.

The USA Telecom Corporation plans to invest \$200 million initially in Vietnam and to eventually increase it to \$700 million. The firm plans to build a modern telephone network nationwide and a trans-international telecommunications network linking Vietnam with the world.

However, both sides still have to carry out many pressing tasks and overcome numerous difficulties. They have to resolve various issues related to the trade agreement and the granting of the MFN status. This task requires many months of work, and according to the U.S. media, a year to complete. The U.S. Government should reconsider and ease restrictions and regulations that affect the development of current U.S.-Vietnam ties. The opposition which fought against the normalization of ties at the U.S. Congress may create difficulties and erect obstacle against this task. However, observers believe the Washington Administration will overcome them and sign a trade agreement with and grant Vietnam the MFN status in the interest of the U.S. and with pressure from U.S. business circles wanting to enter the Vietnamese markets quickly. Secretary of State Warren Christopher's pledge that: "The U.S. Administration will

try to create conditions for U.S. corporations to catch up with other foreign companies in Vietnam" manifests Washington's efforts. For its part, Vietnam still has many tasks ahead. It must strive to supplement and perfect its legal system, amend its commercial law, and create favorable conditions for foreign investors, including U.S. businessmen, to invest and do business with Vietnam.

In a visit to Vietnam in early September this year, former U.S. President George Bush welcomed Vietnam's remarkable progress in its open-door economic policy. He expressed his support for the rapid development of U.S.-Vietnam ties in the political, diplomatic, and economic domains. He also expressed confidence that the U.S. will eventually grant Vietnam MFN status. The MFN is the door that the U.S. and Vietnam should open for the vigorous development of economic and trade ties that will be for the benefit of both countries.

Party Journal Views Benefits of Socialism

*BK1810095195 Hanoi TAP CHI CONG SAN
in Vietnamese Sep 95 pp 24-26, 35*

[Article by Le Xuan Vu: "Who Benefits, and Who Is Harmed?"]

[FBIS Translated Text] I. Let us recall the years of serious socioeconomic crisis when the country was besieged and isolated, food supplies were scarce, industrial and handicraft activities had come to a standstill, tens of thousands of workers had lost their jobs, the annual inflation rate had reached 600-700 percent, wage earners lived in poverty, all aspects of social life were deteriorating, and teachers were quitting and students dropping out of school. Meanwhile, the socialist regimes in Eastern Europe and the former Soviet Union rapidly eroded and finally crumbled. It seemed impossible for us to withstand those high waves and strong winds.... By contrast, the national economy has now reached a relatively high growth rate (8.3 percent for the 1991-95 period); generally speaking, the people's livelihood has been markedly improved; inflation has been checked (the 1994 inflation rate was 14.4 percent); on the home front, democratization has been promoted, the all-people solidarity bloc has been strengthened, political stability has been firmly maintained, and national defense and security arrangements have been consolidated; and on the diplomatic front, relations have been established with more than 150 countries in the region and other parts of the world. Though the lively impetus of the past when everyone was ready to do anything, "even to burn down the whole of the Truong Son range..." or "sacrifice everything..." has yet to reemerge, decisive and drastic action has eady been taken to make the goas of "making the people rich and the country powerful and of bringing

about equality and c?lization in society" come in all aspects of life. The reason is that the path to the future has been better defined every passing dayough difficulties and shortcomings still abound, we have extricated ourselves from the socioecoc crisis that hadragged on since the 1970's and shifted to a new era—the era of accelerating national industrialization and modernization.

These achievements must be attributed, first of all, to the fact that the renovation process has foed a corr orientation and responded to the people's aspirations.

Thus, orientation is very important. One even needs to look around first before sitting down (the old saying goes like this: "Before taking one's food, it is appropriate to make sure that there is enough left for everyone to share, and before sitting down, it is proper to look around first.") Moving forward is something more important because it involves not only a single individual but a whole country as well. Renovation is a very difficult and protracted process. We must be cautious so as not to get lost or be engulfed by the enormous upheavals of the situation. Therefore, from the very beginning as well as throughout the renovation process, our party has stated very clearly that renovation does not mean doing away with the socialist goals but ensuring that those goals can be realized thanks to the new concepts on socialism and to appropriate forms, steps, and measures to effect changes for the better based on socialist orientations. Furthermore, it is necessary to stress the need to persist in socialist orientations because the crumbling of the former Soviet Union has taught us a painful lesson as follows: In the beginning, it was stated that the objectives of renovation were to "give more room to socialism." Then, one concession was made after another before socialist goals were renounced altogether and replaced by Western capitalist orientations!

Certain people in our country, however, still maintain that "a clear definition of socialist goals and orientations only creates disunity and causes harm to the all-people great solidarity bloc, the promotion of diplomatic relations, and the party's leadership role (!). It is necessary to dump it at once..." How strange! It is not true that our party has waited until today to set the goals of national independence and socialism. These goals have already been set in the party's 1930 Brief Political Platform. Socialist idealism and socialist realism became a source of inspiration and gave us a marvelous new strength to win; the farther the revolution developed, the broader the all-people great solidarity bloc became under the banners of national independence and socialism. The same thing is true today. Thanks to the renovation, broad sections of the population at home become more active, more creative, and more self-confident and are bound together more

closely by the common cause of "making the people rich and the country powerful and of bringing about justice and civilization in society." Meanwhile, more and more compatriots overseas have turned their minds to the Fatherland in response to that great cause. Socialist goals do not impede our efforts to promote diplomatic relations, either: To date, not only have we extricated ourselves from blockade and embargo but have also promoted multilateral relations with neighboring and regional countries; CIS member countries; countries in Eastern Europe, South Asia, Africa, Latin America, and the Middle East as well as with all world powers. Worthy of note is the relatively fast development of economic relations. Foreign investment is expected to reach USD15 billion by the end of 1995 and one-thirds of all foreign investment projects have been implemented...

Heedless of that reality, people who claim that "it only causes harm" explained: "The inclusion — which they termed as "imposition" — of socialism in the common national goals has won the support of a certain section of the population but still not the others due to a lack of knowledge or fear of having one's interests infringed on," and so forth.

If there is still a lack of knowledge, work should be done to overcome it. Socialism is designed to respond to the needs and interests of all people, first of all, the laboring people, instead of a single individual or a small group of people, and ensure that everyone has the right to lead a worthwhile life in a new society, without exploiting and oppressing their fellowmen. It will take a very long time before we can build such a society because we still have to go through many intermediate steps (for example, with regard to the economy, we still follow a multiple ownership system, a multisectorial commodity economy, a market-oriented mechanism based on state control, and a large-scale and extended use of the capitalist economic system through the state capitalist path). However, we do not forget our goals. To carry out that long-term strategy, all resources at home and abroad must be mobilized to the fullest extent to ensure the quick use of our production forces and improve the people's material and cultural life. The legitimate interests of the people and of different economic sectors are guaranteed and respected if they serve the cause of "making the people rich and the country powerful and of bringing about justice and civilization in society." Well, is there any other interests that can be infringed on as certain people fear? It could be that a few people "still do not concur with" socialist goals. However, should everyone stop and follow them? Furthermore, does it mean that only by eliminating our socialist goals to win the support of "the other section" and by sacrificing

people who have supported our socialist goals and followed the party for several decades now can one avoid "causing disunity" and "doing harm to the all-people great solidarity bloc?"...Who benefits, and who is harmed?

II. Those opposed to the socialist path also advanced other seemingly "iron-like" and "astute" arguments. They claimed that socialism is an illusion of Marx in terms of his thinking and dialectical method, that the socialist revolution and socialism predicted by Marx in Europe in the 19th century have yet to come, that there is no scientific basis on which to reach a conclusion about the inevitability of potential socialism and communism, that the crumbling of the Soviet Union and East Europe have come as a denial of scientific socialism advocated by Marx, and that it is the duty of intellectuals to find another path for national development...

There is actually nothing new in their arguments at all, except that they used the crumbling of the Soviet Union and East Europe as a means to "overthrow" Marxism. The same old arguments — used every time the revolution faced difficulties or setbacks since the turn of the last century — are repeated: "Marxism is inappropriate," and "Marxism is obsolete and has been overtaken by history."

Anyone reading about Marxism knows that Marx had the two biggest inventions, namely historic dialectical materialism which shows the evolutionary law of human society, and the doctrine on surplus value which points out the evolutionary law of the mode of capitalist production and of the capitalist society in general. From these, his arguments on the inevitability of socialism originated. But Marx intended to base them on the historical data of his time. Marx was only able to discover evolutionary law, point out orientations for work implementation, and outline an initial overall plan, but he was in no way able to answer all the specific questions arising hundreds of years later. Just as other people, Marx also faced restrictions on himself and on his time. What is important is that Marx never separated theory from practice, and he also never disassociated himself from the realistic struggle in society. Marx derided those uttering empty words about social theory: "Philosophers have now had on their tables the answers to all the secrets. All the stupid and unknowledgeable world has to do now is to open its mouth to devour those fried turkeys of absolute sciences" (Karl Marx and Friedrich Engels: Complete Collection of Works, Su That Publishing House, Hanoi, 1978, pages 1-497). The arguments of Marx were drawn from practical struggles to provide practical guidance; were reviewed, revised and supplemented by reality; continued to take shape and develop throughout the ideological life of Marx;

thus they helped build up Marxism. Then is it irrational that after over 100 years we, on the one hand, deride Marxism for being inappropriate, and, on the other, regard those predictions made by Marx in his time and his initial arguments as rigid dogmas and doctrines, using this as a means to "overthrow" Marxism without following the Marxist spirit of revising, supplementing, and developing those genuine principles and those lasting values of Marxism? Many scientists in the capitalist West believe that Marx can still be seen as a thinker of the 21st century.

In summation, let us ask how far capitalism will develop or whether it will eventually bring the development of human society to an end? Contemporary capitalism is readjusting itself. Remarkable changes have been made in the capitalist ownership of the means of production in a way that is more compatible with the development of production forces. Contemporary capitalism is also compelled to pay more attention to social problems and human factors. However, can it find any new directions for production relations in society? If a revolutionary situation occurs like the one in Russia in 1917 and Vietnam in 1945, will the proletariat and those oppressed laboring people in general rise up for a revolution? Once the revolution is successful, while objective economic conditions are still not available to build socialism, will they continue to maintain the power to build a new and more equitable society, or will they hand over power to others and face the inevitability of a "bloody and muddy" capitalist regime under which they will lead an impoverished and humiliating life and resign themselves to being "subservient" to advanced, developed capitalist countries?

As for the crumbling of the Soviet Union and Eastern Europe, it is the collapse of an (old) socialist model rather than Marxism-Leninism or scientific socialism. Realistic socialism in the Soviet Union once scored so many amazing feats: defeating the internal and external enemy while it was under siege, successfully carrying out national industrialization despite difficulties in the first few decades, destroying Hitlerite fascism, transforming undeveloped Russia into a superpower, improving the people's living standard, and offering itself as a firm pillar for national liberation and democratic fronts of the world. However, socialism itself has many shortcomings and has made many mistakes, the discovery of which was very slow. When discovered, corrections were not drastically implemented and in the right directions due to poor reorganization, repeated failures, and the betrayal of people at the top. In the final analysis, is there any new social system born without weaknesses, mistakes, and temporary setbacks before it recovers itself and develops in accordance with the law

of evolution? "Is there any victor who has never experienced setbacks and is there any wise man who has never made any blunder?" While rowing a boat, if we loosen our hands in the face of high waves, become confused, and lose our direction or if we see everything pessimistically, deny everything including ourselves, then to whom is it beneficial and to whom is it harmful?

III. Those who want to eradicate the socialist goal feel uneasy about finding socialism inscribed in the Constitution passed by the SRV National Assembly. They argue that the socialist goal is the party's business. As anyone wishing to put this socialist goal in the party documents can feel free to do so, why have they raised their voices about this and tried to turn this goal into a course of action for the entire people? Such an action, they claim, will be harmful to the party leadership! How surprising! They are worried about this "being harmful to the party", aren't they? How can the party show the people the way without telling them their destination? Is this treating the people with contempt? Is it impossible for a ruling party to use the state apparatus as a means to materialize its goals and organize the people to carry out its lines and policies? If so, what use is it for the party to remain as a ruling party?

Our people have faithfully followed the party in the struggle for national independence and socialism for several decades now. We recorded this fact in the Constitution for the sole purpose of acknowledging that achievement, reasserting that resolve, honoring that determination, and checking everything again before moving on. What is new here is not the socialist goals but the ways to make those goals come true under new circumstances. If we do not have new ways of doing things, we will not be able to make our goals come true. Nonetheless, if we do not set goals, we will be easily disoriented.

The revolution is the work of the masses. The renovation process belongs to, works for, and originates from the people. The party initiates and directs the renovation process. It encourages the people to suggest new ways of doing things and reviews their initiatives before combining them into a comprehensive renovation line. The party also realizes the need to renovate itself and asks the people to supervise its endeavors for self-renovation and help with efforts to purify and strengthen party organizations with every passing day. When it comes to implementing the renovation process, the party does not hide anything, including its errors and shortcomings and the degradation and deviance of a not-too-small number of party members. It is all the more important to give a clear definition of orientations to mobilize the efforts and initiatives of both the people and party members and to learn from the knowledge and

experiences at home and abroad to meet development needs. If people maintain the focus that the role of socialist orientations in the renovation process will "impede renovation" and "hinder development," what kinds of renovation and development do they want to imply here?

Once again, it is clear that it is essential to have orientations. The problem is which orientations to follow. Like it or not, people must follow orientations. Some people clearly stated that they opted for capitalist orientations and advised other people to do so. Others wanted to do the same but remained ambiguous to deceive people. Still others said they would search for something totally new instead of the existing concepts

on socialism, capitalism... and they also spoke in a low voice about certain orientations in a bid to undermine the people's trust in Marxism-Leninism, socialism, and the party because they believed in what the French people said: "trust is already half of victory."

Thus, the lack of orientations can also mean otherwise. The only difference here is the absence of socialist orientations. Therefore, it is all the more necessary to clearly define the role of socialist orientations in national development. The reason is because we know who benefits and who is harmed by the clear definition of socialist orientations and goals.

Australia

Canberra Urges Farm Trade in APEC Deal

OW1810145595 Tokyo KYODO in English
1438 GMT 18 Oct 95

[FBIS Transcribed Text] Canberra, Oct. 18 KYODO — Australia urged Japan on Wednesday [18 October] to summon up the political courage to subject farm trade to liberalization obligations to be spelled out in an action agenda to be adopted by the leaders of the Asia-Pacific Economic Cooperation (APEC) forum.

Australian Trade Minister Bob McMullan made the appeal in an interview with KYODO NEWS SERVICE.

The action agenda, whose details are now being hammered out by working-level officials from APEC members prior to a meeting in Osaka of APEC leaders slated for mid-November, is to define members' obligations in accomplishing APEC's avowed goal of attaining regional free trade by 2020.

APEC members are now engaged in eleventh-hour squabbling over whether to exempt farm trade from the liberalization obligations to be enunciated by the action agenda, with politicians from Japan and South Korea afraid of antagonizing their constituents in rice-producing regions.

McMullan said the solution requires courageous decisions from politicians of the member states.

He voiced optimism, claiming he can now see some signs of the row being resolved as a result of a meeting

in Tokyo last week with Japanese International Trade and Industry Minister Ryutaro Hashimoto.

McMullan said he believes Hashimoto also implicitly shares his optimism.

He suggested Australia will reject any proposal that might force it to compromise its position to seek freer farm trade among APEC members when he meets Thursday with a delegation of Japanese lawmakers led by former Foreign Minister Kabun Muto.

French Polynesia

President Assures French Funding To Continue

LD1810101495 Melbourne Radio Australia
in English 0900 GMT 18 Oct 95

[FBIS Transcribed Text] The President of French Polynesia Gaston Flosse, says the French Government will continue to give the territory large sums of aid after it has finished its nuclear testing programme. Mr. Flosse made the statement at a news conference in the capital, Papeete, following his return from Paris, where he held talks with President Jacques Chirac. He says Polynesia will be receiving \$300 million dollars a year, which will be used to create jobs and develop the islands. Mr. Flosse says this sum will be available after the testing is over to compensate for the closure of military bases at Mururoa and Fangataufa Atolls. However, he says Mr. Chirac has assured him that some military units will remain in French Polynesia after the end of the testing next year.

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